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LAST ISSUE

China

**FBIS-CHI-88-127
Monday
1 July 1988**

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Daily Report China

FBIS-CHI-96-127

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General

**PRC: 'International Commentary' on
Sino-U.S.-Japanese Triangle**

*HK0107021196 Beijing LIAOWANG in Chinese
3 Jun 96 No 23, p 44*

[Article from "International Commentary" column by Tang Tianri (0781 1131 2480): "Sino-U.S.-Japanese Triangle Must Be in Equilibrium"]

[PTS Translated Text for FBIS] At present, the forces of the major powers have interwoven in the Asian Pacific region, with the United States, China, and Japan the most influential states, which actually have a triangular relationship. Handling the U.S.-Sino-Japanese relationship well and maintaining the trilateral equilibrium have a bearing on the peace, stability, and development of the Asia-Pacific region and the world.

Judging from the recent strengthening of the U.S.-Japanese security alliance, in handling the question of the triangular relationship between the United States, China, and Japan, the United States and Japan have obviously placed special emphasis on the U.S.-Japanese side. Certain people from political circles in the United States and Japan are not willing to see China embark on a development road of its own choosing, nor do they want China to become genuinely developed, reunified, prosperous, and powerful. Hence, the U.S.-Japanese security assurance system, a relic of the Cold War era, is being put to new use after being refitted.

People noticed that in the middle of April this year, U.S. President Clinton and Japanese Prime Minister Hashimoto held a summit meeting aimed at strengthening the bilateral security alliance, openly listing the question of China and Taiwan as a target of concern. The two countries take guarding against China as their strategic basis in this region, as reflected in the "Report on East Asia Strategy" published by the U.S. Department of Defense in February last year and in the new "Defense Program Outline" formulated by Japan in November last year. The former listed such regional security issues as territorial disputes, Taiwan, the proliferation of destructive weaponry, as well as the DPRK and Cambodia, while the latter enumerated possible threats to security: "There are powerful military forces holding nuclear weapons in areas surrounding Japan. Many countries take economic development as a background to devote efforts to the expansion and modernization of their armaments." In an article published in the WASHINGTON POST on 26 April, author Krauthammer explicitly noted that the re-establishment of the U.S.-Japanese alliance "targets China" and has "laid a basis" for their joint "containment of China."

This, however, is a dangerous game.

1. The East Asian region, which has witnessed rapid economic growth, will become an arena of the Cold War. An article by David Shambaugh in the 1996 spring edition of WASHINGTON QUARTERLY noted that such a confrontation will turn Beijing into a ferocious opponent at best and an enemy at worst. The lamentable failure of its policy of containment of China cost the United States more than 100,000 lives in the DPRK and Vietnam, which remains fresh in the memories of Americans of the older generation. As for Japan, its notorious history and unrepentant posture have gone against the will of the people of Asian countries. By stirring up trouble with the United States, Japan will only isolate itself further.

2. The United States wants to use Japan as a daring vanguard in containing China to contribute financial, material, and human resources and bases to safeguard U.S. hegemony in the Asia-Pacific region. Nevertheless, Japan, which has its own calculations, finds that this is a good opportunity for it to strive to become a major political nation and head toward becoming a military power. Once it becomes full-fledged, it can get rid of U.S. control.

3. By pursuing the path of containing China, the United States "will not find allies" in the Asia-Pacific region and the world because "the majority of Asian nations will accuse the United States of provoking a cold war that people do not want" (Kissinger's maxim). The cold war will jeopardize the security and economic interests of this region. More to be resented by ASEAN nations is that certain people from the United States are still carrying on discussions on establishing the Asia-Pacific military security cooperation alliance with the U.S.-Japanese alliance as the axis and the U.S.-Japanese-ROK alliance as the main body, which will extensively join forces with member states of the ASEAN regional forum to form a "little NATO in East Asia" with the United States as the main body. By doing so, the United States can have tight control over this region. Should the United States act in line with its wishful thinking, it is bound to trigger turmoil in Asia.

In view of this situation, a great many Asian nations, particularly ASEAN states, oppose the containment of China and advocate that the United States, China, and Japan adopt a policy of mutual exchange and cooperation to maintain the equilibrium of the triangular relationship. This will be conducive to safeguarding the peace, stability, and development of the Asia-Pacific region. Filipino President Ramos and Malaysian Prime Minister Mahathir said on 1 May in Tokyo that ensuring China's participation in policy decisions on security

issues in this region is the key to Asia's peace and stability. Ramos stressed: "China is a part of our region, and the rise and fall of East Asia is linked closely with China." Seven ASEAN nations have reached a consensus, that is, the peace of the Asia-Pacific region depends on a stable relationship between the United States, China, and Japan.

PRC: XINHUA: U.S. Officials Outline Major Issues at G-7 Summit

*OW2906023196 Beijing XINHUA in English
0014 GMT 29 Jun 96*

[FBIS Transcribed Text] Lyon, France, June 28 (XINHUA) — U.S. President Bill Clinton's two major assistants, Secretary of State Warren Christopher and Secretary of the Treasury Robert Rubin, today outlined main issues the United States was pressing during the three-day G-7 summit.

In a press briefing here this afternoon, Christopher said the U.S. Government identified two priority areas that attention should be focused on: first, securing the peace in Bosnia and second, combating international crime and terrorism.

About the situation in Bosnia, Christopher said "very considerable strides" in implementing the Dayton Agreement have been achieved. The guns have fallen silent in Bosnia and the opposing military forces have been separated and "they're now demobilizing." The parties have agreed, only a few days ago, to far-reaching conventional arms reductions and virtually all the prisoners of war have been released.

He noted the long-term project of reconstruction is underway and elections will take place as scheduled under the Dayton agreement on September 14 this year.

Christopher said the U.S. Government insists that indicted war criminals like Karadzic must be removed from power, removed from influence, be out of the country, and in the hands of the War Crimes Tribunal.

Talking about combat terrorism, the U.S. Secretary of state said that Thursday night, at the urging of both President Clinton and French President Chirac, the G-7 summit adopted a statement declaring the fight against terrorism to be "an absolute priority for all of them." The 40-point program of anti-terrorism which is expected to be adopted at Saturday's meeting "represents a very important series of steps in addressing what is obviously one of the most important problems facing the world today," he added.

On the economic field, U.S. Secretary of the Treasury Robert Rubin said the G-7 leaders welcomed the broad movements in exchange rates in the major currencies

since April 1995 and instructed their finance ministers to continue to cooperate on economic and foreign exchange matters.

Secondly, the G-7 leaders welcomed the progress achieved in implementing the Halifax initiatives, which were designed to strengthen the financial system, including the establishment of an earlier warning system through the disclosure requirements promulgated by the International Monetary Fund (IMF), Rubin added.

Thirdly, Rubin said, the leaders reaffirmed a result-oriented partnership for development which emphasizes the importance of sound economic policies and good governance in the developing world. Assistance would be focused particularly on poverty alleviation and stimulating private sector development, he added.

The 22nd G-7 summit, which started Thursday, is expected to conclude Saturday after adopting a political statement.

PRC: XINHUA Notes PRC Stand on Nuclear Test Ban Treaty

*OW2906020796 Beijing XINHUA in English
1851 GMT 28 Jun 96*

[FBIS Transcribed Text] Geneva, June 28 (XINHUA) — The Geneva-based Conference on Disarmament missed a target date of Friday [28 June] to reach a treaty on nuclear test ban because participating nations are still widely divided on some key issues.

A draft treaty, with key issues still unresolved, was put forward Friday by the Dutch chairman of the negotiations Jaap Ramaker, and will then go to capitals for further study, negotiators said after the final meeting of the current negotiating session Friday afternoon.

They also said that consultations would resume on July 29, as the disarmament conference begins the third part of its 1996 session, to make the final decision or possible amendments to the draft.

"There is no point in going on with the negotiations under current circumstances," Ramaker told a news conference after the meeting. "No real movement were made during the past two week," he said.

Several negotiators told reporters that although they regret that no agreement has been reached on Friday, they are still hopeful that a treaty could be ready for signing by the beginning of the 51st session of UN General Assembly in September.

Negotiators here had been optimistic until last week that they could reach consensus on a draft treaty.

But those hopes faded when India announced last Thursday that it would not sign the treaty in its present form because it did not explicitly call for the destruction of existing nuclear weapons within a given time period and because it would require India, Pakistan and Israel — the three so-called nuclear "threshold states" — to sign and ratify the pact before it could go into force.

India ambassador in Geneva reiterated Friday that India will not sign the treaty unless its concerns are taken on board.

The issue of entry into force has divided the United States from other declared nuclear weapons states which believe that the treaty must be accepted by the "threshold states" for it to have any important meaning.

The United States have been holding out for a less-demanding set of requirement to prevent any move by a single nation to indefinitely block the treaty.

Another sticking point of the negotiations so far is on-site inspection. Western countries led by the United States want a mechanism which could quickly trigger such a inspection to investigate possible treaty violations, for example by the approval of a simple majority in the executive committee of the future treaty organization.

Other countries, particularly Russia, China and some other nations in the developing world, demand a two-third majority to approve on-site inspections. They stress that the on-site inspection is politically highly sensitive and only a more cautious mechanism can prevent possible abuses.

PRC: 'Roundup' on Diplomacy in Jun

OW3006154596 Beijing XINHUA in English
1527 GMT 30 Jun 96

["Roundup: China's Diplomacy Brisk in June" — XINHUA headline]

[FBIS Transcribed Text] Beijing, June 30 (XINHUA) — China's diplomatic activities last month were just as intense as the weather, with frequent visits between leaders in China and Third World countries, especially the African and Arab nations.

The Presidents of Rwanda and Guinea, and Botswana's Vice President all visited China, exchanged views and reached a broad consensus with Chinese officials on bilateral political and economic relations and other issues of common concern.

These visits embody the principles of Sino-African ties, which were summarized during Chinese President Jiang Zemin's state visit to six African countries last month as

equal treatment, sincere friendship, unity, cooperation, and common development.

The visits by African leaders indicate that their countries are eager to reinforce friendly relations and cooperation with China.

Palestinian President Yasir 'Arafat and Lebanese Prime Minister Rafiq al-Hariri also visited China, several days before the Arab Summit which concluded on June 23.

During their visits, the two Arab leaders held talks with their Chinese counterparts to discuss the latest developments in the Middle East peace process, and strengthening bilateral relations.

It was said during the visits that Arab nations regard China as their most reliable friend, and hoped that China would play a still more positive role in the Middle East peace process and in reconstructing some Arab nations.

These visits have also shown that it is the cornerstone of China's diplomatic policies to develop its friendly relations and cooperation with all of the Third World nations.

Another hot issue in June was the agreement reached between China and the United States over IPR [intellectual property rights] protection, which has avoided a trade war that would have cost the two countries several billion US dollars in trade volume.

PRC: Envoy on Establishment of UN Mission in Haiti

OW2906013096 Beijing XINHUA in English
2029 GMT 28 Jun 96

[FBIS Transcribed Text] United Nations, June 28 (XINHUA) — The United Nations Security Council decided today to establish the United Nations Support Mission in Haiti (UNSMIH) until November 30.

In a resolution adopted unanimously today, the council noted that the mission is aimed at assisting the government of Haiti in the professionalization of the police and in the maintenance of a secure and stable environment conducive to the success of the current efforts to establish and train an effective national police force.

The UNSMIH will also support the role of the special representative of the U.N. Secretary-general in the coordination activities by the U.N. system to promote institution-building, national reconciliation and economic rehabilitation in Haiti, according to the resolution.

The Security Council decided that the UNSMIH initially will be composed of 300 civilian police and personnel and 600 troops.

In addition, 700 soldiers who will cooperate with the UNSMTH will be financed by voluntary contributions.

The council commended the role of the United Nations Mission in Haiti (UNMIH) in assisting the government of Haiti in fulfilling its responsibilities to sustain the secure and stable environment and professionalize the Haitian national police.

The current UNMIH was established to take over on March 31, 1995 from the U.S.-led multinational force to help maintain security and stability in Haiti. The UNMIH had 6,000 troops and 850 police officers at its peak in June 1985. Last February, the Security Council approved a final four-month extension of the UNMIH's mandate.

Speaking at the Security Council today, Chinese Ambassador Wang Xuejian said that the Chinese government has all along attached importance to and supported the peace progress in Haiti and the positive efforts made by the secretary-general, his special representative, the Organization of American States and the UNMIH in restoring peace and stability in Haiti.

As the task of creating a national police force in Haiti has been completed, there are no indications that the government of Haiti is faced with any organized threat, nor does the situation in Haiti pose any threat to international peace and security. "We have reservations on continued presence of U.N. military personnel in Haiti," he said.

"However, having carefully studied the recommendation by the secretary-general on the establishment of the UNSMTH and taken into full account the urgent requests of the Haitian government and the desires of the Latin American countries, we have made our utmost efforts and agree in principle to the establishment of the UNSMTH in Haiti," he said.

United States & Canada

PRC: Spokesman Comments 28 Jun on U.S. Congress MFN Resolution

OW2806144096 Beijing XINHUA Domestic Service in Chinese 1258 GMT 28 Jun 96

[FBIS Translated Text] Beijing, 28 Jun (XINHUA) — Commenting on U.S. Congress bills on China, a Chinese Foreign Ministry spokesman said today that U.S. Congressmen should play positive roles in improving and developing the Sino-U.S. relations, and not create difficulties and placing obstacles [zhi zao kun nan he she zhi zhang ai 0455 6644 0938 7181 0735 6080 4999 7140 4293].

A reporter asked for the spokesman's comment on the U.S. Congress' vote on 27 June to veto a bill which calls

for scrapping the most-favored-nation-status to China and its adoption at the same time of a resolution aimed at China.

The spokesman noted that, with 266 votes against and 141 votes for, the U.S. Congress vetoed a bill presented by Congressman Rohrabacher on scrapping the most-favored-nation-status to China. We consider it a wise act. The result of the vote showed that the attempt of a small minority of people in the U.S. who try to scrap the most-favor-nation-status to China is against the historical tide and against the fundamental interests of the two peoples of China and the United States and is rather unpopular with the people. He said: "We want to reiterate the call on the U.S. Administration that it proceeds from the overall situation of the Sino-U.S. relations and make an early doing away with the discriminatory practice of the annual review of the most-favor-nation-status to China."

The same spokesman pointed out at the same time that the U.S. Congress' adoption of Congressman (Caucas') resolution which made an unfounded accusations against China on a series of issues has wantonly interfered in China's internal affairs. The Chinese side expressed strong dissatisfaction [jiang lie bu man 1730 3525 0008 33410] and resolute opposition [jian jue fan dui 1017 0414 0646 1417] to it. We call on U.S. congressmen to abide by the norm of international relations and by the principle guiding the two countries' relations which was established in the three joint communiques between China and the United States, particularly by the principle of mutual respect and non-interference in internal affairs. He said: "U.S. congressmen should play positive role in improving and developing the Sino-U.S. relations, not create difficulties and placing obstacles."

PRC: Spokesman: Congress Should Not Impose 'Obstacles' To Ties

OW2806160996 Beijing XINHUA in English 1506 GMT 28 Jun 96

[FBIS Transcribed Text] Beijing, June 28 (XINHUA) — The move to deny the extension of most-favored-nation trade status to China, which was proposed by some US representatives, is against historical trends and the basic interests of the Chinese and American people, a Chinese Foreign Ministry spokesman said here today.

The measure is very unpopular, the spokesman said, when asked to comment on the rejection of the motion by the US House of Representatives in a 286 to 141 vote on Thursday [27 June].

He called the rejection "wise" and reiterated that the US government should consider Sino-US ties and stop the

discrimination in its annual review of the most-favored-nation status for China.

The spokesman said that China is indignant about another motion raised by US Rep. Christopher Cox that was passed by the House of Representatives, and is resolutely opposed to it.

The motion made charges against China concerning a series of problems that are utterly uncalled for. It has wantonly interfered in China's internal affairs, he added.

"We ask that the US congressmen adhere to the principles of international relations and of bilateral ties that are enshrined in the three Sino-US communiques, especially the principles of mutual respect and mutual non-interference in each other's internal affairs," he noted.

"The US congressmen should play a positive role in improving and developing bilateral ties, and should not pose difficulties and obstacles in this regard," he added.

**PRC: Bush Accuses US of Being too
'Confrontational'**

*HK0107075296 Hong Kong SOUTH CHINA
MORNING POST in English 29 Jun 96 p 6*

[By David Ivison]

[PTS Transcribed Text for FBIS] Former US President George Bush yesterday asserted the United States had been too confrontational in its dealings with China and had squandered opportunities to build a constructive relationship with the mainland.

Mr Bush said the Taiwan Strait crisis and the threat of trade sanctions should have been resolved through negotiation rather than opposition.

"I am convinced we have confronted China too much and neglected the quiet consultation that brings about understanding and change," he said.

The former President accused the current US leadership of "picking fights" with China and warned it risked a break down of normal relations if it continued to antagonise the republic.

"We should engage China in a broad dialogue that transcends whatever bump in the road there is at the moment."

Speaking at the Countdown to 1997 conference arranged by the Far Eastern Economic Review, Mr Bush accused the Clinton administration of inconsistency in its China policy which confused the Chinese leadership and threatened to scupper successful Sino-US relations.

"Today we have an unprecedented opportunity to put rancour behind us." Mr Bush welcomed the approval of Most Favoured Nation trading status for China in the

US House of Representatives yesterday but reiterated calls for the process of annual renewal to be abolished.

He expressed confidence in the transfer of power in a year's time. "Hong Kong is a wide-open window to the world and it is inconceivable that China would want to slam that window closed."

**PRC: Tianjin Uncovers Radioactive Scrap Steel
Imports From U.S.**

*OW0107025196 Beijing Central Television Program
One Network in Mandarin 1100 GMT 28 Jun 96*

[Video report on from the "National News Hookup" program]

[FBIS Translated Text] [Unidentified female announcer] On 26 June, while inspecting imported scrap metal at Tianjin's New Port according to law, the Tianjin Administration for the Inspection of Import and Export Commodities [TAIEC] discovered a batch of highly radioactive scrap iron and steel imported from the United States. Please watch the following report:

[Unidentified reporter] Friends, I am at Tianjin's New Port. The materials contained in the seven containers behind me are highly radioactive scrap iron and steel imported from the United States. They were discovered by the TAIEC on 26 June.

[Unidentified male announcer] This batch of scrap iron and steel, weighing 78.336 tonnes, is contained in seven non-standardized containers. Using equipment to detect radioactivity on the scrap iron and steel, TAIEC personnel discovered each of the containers has gamma-radiation at above standard levels. [Video shows scrap steel materials in seven large containers, uniformed personnel carrying portable equipment are seen measuring the readings of different containers.]

The level of radioactivity in one of the scrap steel containers is more than 30 times greater than that allowed by the state. After checking the relevant invoices, we have learned that the scrap steel was shipped to Tianjin's New Port from Houston in the U.S. The supplier was U.S. Material Resources Incorporated and the receiver was the China Materials Recycling Corporation. It has been learned that radioactivity can affect the body's ability to make blood, ovaries in women, and the reproductive system in general.

According to the China Materials Recycling Corporation, it has contacted relevant units in the United States. The U.S. side said: This batch of scrap iron and steel was dismantled from facilities at a chemical fertilizer plant. The U.S. side admitted they knew this batch of scrap iron and steel contained radioactive elements

harmful to humans. The State Administration for the Inspection of Import and Export Commodities, the State Environmental Protection Bureau, and the PRC General Administration of Customs are currently conducting further investigations. The China Materials Recycling Corporation also said it would make further contact as soon as possible with relevant U.S. units to find out why this happened and to promptly handle the issue. [end recording]

PRC: 'Roundup' on Church-Burning, Racial Problems in U.S.

*HK0107021396 Beijing RENMIN RIBAO in Chinese
13 Jun 96 p 6*

["Roundup" by U.S.-based staff reporter Liu Aicheng (0491 1947 2052): "Evil Consequences of Racial Hatred — Black Churches in the United States Are Burned in Succession"]

[PTS Translated Text for FBIS] Washington, 11 Jun (RENMIN RIBAO) — Black people's churches in the southern part of the United States have recently been set on fire, one after another; in the past week alone, four churches have been burned: on 3 June in Alabama, on 6 June in North Carolina, and on 9 and 10 June, the fire spread to Texas... No one can tell whether this state of affairs will continue to spread. Since 1990, 50-plus Black churches have been set on fire; in the 18 months since January 1995, 30-plus churches have been burned. An increasingly greater number of churches have been set on fire, with the area involved increasingly extensive, having spread to 10-plus southern states. Initial investigations have shown that these cases of arson were committed by Caucasian racists.

Black churches are not only places for religious activities of the Black people, but also the center of activities of their political struggles, such as opposing racism and seeking equal rights. Many of the churches being set afire have played a role in the history of Black people fighting for equal rights. The Blacks are indignant about their churches being burned, and they have expressed strong resentment against the administration and the law-enforcement authorities failing to round up arsonists promptly or check the development of this state of affairs.

Since last year, judicial departments in charge of investigating and handling the arson cases only cracked five cases, arrested several arsonists, of whom two were connected with the Ku Klux Klan. Public opinion holds that as of today there is no proof that a nation-wide plot exists, but that it is at least a regional phenomenon, and that it is mainly the work of racists and White supremacists behind the scene. The government should

have grasped the investigation effectively and stopped the spread of arson; however, scores of old cases have not been closed, and now new arson cases have taken place one after another. The Black people, their religious leaders, and civil rights leaders have bombarded the administration with censures and asked the authorities whether they would they have acted as slowly and indifferently had these arson cases have happened to churches of Caucasians. They criticized the police for exerting efforts in hearing the priests and churchgoers from the Black churches while failing to focus their attention on those Caucasians who racially discriminate against Black people. On 9-10 June, scores of priests from the Black churches being burned went to Washington D.C., and personally expressed their indignation to the Attorney General of the United States and the Secretary of the Treasury, because these two departments have been in charge of the investigations.

Facing the resentment and pressure of the Black people, Clinton, who is running for a second term as president, naturally had to strike a pose. In a recent broadcast speech, he acknowledged that the "fire of racist hatred" mainly accounts for the arson cases and stressed that he would do everything he could to round up the arsonists and end such tragedies. Dole, the Republican candidate for president, also stated that there must be no place for these phenomena while attacking the Clinton administration for inefficient handling of the cases.

Under these circumstances, the Federal Bureau of Investigation and Bureau of Alcohol, Tobacco, and Firearms, which are in charge of the investigation, have both increased human and material resources, while setting up round-the-clock free police telephone lines; in addition, a private bank has offered a \$500,000 reward for those who inform against or round up a culprit.

The inefficiency of the government and judicial organizations in investigating and handling the cases is one of the reasons why such arson cases have failed to be checked promptly. However, some people are worried that similar cases can hardly be checked even if investigation, handling, and crackdown are enhanced. Just as Jackson, the American Black movement leader, recently put it, the burning of Black churches was not accidental; it has something to do with the general environment of the United States today. Since the Republicans gained control of Congress last year, ultra-rightist ideological trends and forces have become active. The rise of such ideological trends have made White supremacist, racist, and Ku Klux Klan activities all the more rampant. Many Black people have said that the burning of so many Black churches is a repetition of the tragedy in the United States of the 1950's and 1960's. During the 1960's, the Ku Klux Klan not only burned Black

churches, they also set off time bombs to kill Black people. In the summer 1964, the Ku Klux Klan burned more than 30 Black churches in Mississippi alone. Some Blacks have said, "Today they are beginning to burn churches; it is like setting a fire in our front yard."

In the United States, it seems to be no easy job to put down the fire of racial hatred because of deep-rooted racial discrimination.

PRC: Editorial on Importance of PRC Entry Into WTO

*HK0107075596 Hong Kong HONGKONG
STANDARD in English 29 Jun 96 p 14*

[Editorial: "China Should Be At Top Of G7 Agenda"]

[PTS Transcribed Text for FBIS] It opened in the shadow of this week's deadly bombing in Saudi Arabia. And to no one's surprise, leaders of the Group of Seven countries meeting in Lyons France, pledged to take steps to combat terrorism.

Nor was anyone surprised that a common understanding on a wide range of other matters appeared to be more elusive.

While the G7 can easily be written off as a junket for the most elite club in the world, there are issues that the seven summit nations—the United States, Japan, Germany, France, Canada, Italy and Britain—need to discuss.

These include the benefits and drawbacks of globalisation of the world economy, sales of gold by the International Monetary Fund to help finance additional aid for the poorest countries, and the European Union's strong opposition to American laws asserting extra-territorial jurisdiction.

But is it primarily a gathering suited for business and formulating a long-term economic strategy. And there is no long-term economic issue that is more important than China's entry into the World Trade Organisation (WTO).

Commentators frequently pointed out in the 1950s and '60s that it was ridiculous that a country which represented a quarter of humanity—as China then did—was not in the United Nations.

It is equally ridiculous today that a country which now represents one-fifth of humanity is not in the WTO. The sheer size of China makes it a potential economic giant.

It is true that China must continue to reform. But it cannot do so unless it is brought into international organisations that will show Beijing how to go about it.

This is not a matter of doing China a favour. Nor is it a case of Beijing doing the rest of the world a favour. As China becomes an increasingly attractive market, its presence in the WTO will be good for world trade.

As Japanese Prime Minister Ryutaro Hashimoto said, China's early entry into the WTO would be "a significant first step towards its becoming a constructive partner in the international economic community".

Former US President George Bush has pointed out, rightly, that the United States has a responsibility to engage China constructively despite problems in the relationship including those over human rights.

Meanwhile, the US House of Representatives is to be commended for rejecting a bid to overturn US President Bill Clinton's renewal of China's most favoured nation (MFN) trading status.

Mr Clinton, who is in Lyons, hailed the strong bipartisan show of support as evidence that "the American people agree that engagement, not isolation, is the best way to advance America's interests with China as elsewhere".

But the next step must be to bring China into the WTO as soon as possible.

Central Eurasia

PRC: NPC Vice-Chairman Meets Belarus Cultural Delegation

*OW2706095896 Beijing XINHUA in English
0814 GMT 27 Jun 96*

[FBIS Transcribed Text] Beijing, June 27 (XINHUA) — Wang Guangying, vice-chairman of the Standing Committee of the National People's Congress, met with a Belarus cultural delegation led by Belarus Minister of Culture Alyaksandr Sasnowski here this afternoon.

The two sides exchanged views on issues of common concern.

The Belarus delegation arrived in Beijing June 25 for a 4-day friendly visit at the invitation of the Ministry of Culture of China.

PRC: Ambassador: Jiang Zemin Visit To Open New Sino-Kazakh Ties

*OW0107100896 Beijing XINHUA in English
0834 GMT 1 Jul 96*

[FBIS Transcribed Text] Beijing, July 1 (XINHUA) — Kazakhstan's ambassador to China has said that Chinese President Jiang Zemin's forthcoming visit to his country will open up a new page in the history of Kazakh-Chinese relations.

Jiang's visit, the first of a Chinese head of state to Kazakhstan, is a major event in bilateral relations and will create favorable atmosphere for the two countries to deepen their cooperation, ambassador Kuanysh Sultanov said in a recent interview with XINHUA.

According to the ambassador, the heads of state of both countries will discuss the issues concerning the roles of the two countries near the turn of the century.

Also, to further expand the economic and trade ties between the two countries will be a major part of Jiang's mission, the ambassador said.

The two governments are expected to sign a number of agreements concerning economic and technical cooperation during Jiang's visit, he said.

According to Sultanov, the annual growth rate of Kazakh-Chinese trade volume was maintained between 17 to 20 percent in recent years. By the end of 1995, bilateral trade volume reached 390 million US dollars.

The major areas for the two countries to expand their cooperation include telecommunications, transportation, tourism, culture, education, economy, trade, and even high technology, the ambassador said.

Kazakhstan and China have so far signed around 40 agreements and other documents in various areas.

Kazakhstan will be the last leg of Jiang's current six-nation tour.

PRC: Kyrgyz Envoy: Jiang Zemin Visit To Forward Bilateral Ties

*OW0107094796 Beijing XINHUA in English
0825 GMT 1 Jul 96*

[FBIS Transcribed Text] Beijing, July 1 (XINHUA) — A Kyrgyz diplomatic envoy to China has said that Chinese President Jiang

Zemin's upcoming visit to Kyrgyzstan is to raise bilateral relations to a new high.

A.A. Osmonaliev, Kyrgyzstan charge d'affaires ad interim to China, made the remark in a recent interview with XINHUA.

Osmonaliev said that this visit is of regional significance beyond bilateral relations.

During the visit, the two countries will sign a series of documents, and the most important one is the joint communique of the two countries, which will outline the basis for bilateral friendly relations and the basic direction for bilateral cooperation in the near future.

On bilateral economic and trade cooperation, Osmonaliev said with pleasure that the development of bilat-

eral economic and trade cooperation so far is satisfactory and cherishes a bright future.

He said that the trade volume between the two countries last year reached 230 million US dollars, over twice that in 1994, adding that Kyrgyzstan has become China's big trade partner among the Commonwealth of Independent States (CIS), following Russia, Ukraine and Kazakhstan.

Noting that furthering bilateral economic and trade cooperation is an important part of Jiang's visit, Osmonaliev said that his country hopes that the economic and trade cooperation committee between the two governments can make more efforts for bilateral cooperation, especially in the infrastructural construction such as communications and telecommunications.

Kyrgyzstan people are expecting Jiang's forthcoming visit and believed that this visit is to be a full success, marking a brilliant page in development of bilateral relations, said Osmonaliev.

PRC: Ambassador: Success Expected for Jiang Zemin Uzbekistan Visit

*OW0107095396 Beijing XINHUA in English
0840 GMT 1 Jul 96*

[FBIS Transcribed Text] Beijing, July 1 (XINHUA) — Uzbekistan's ambassador to China has said that Chinese President Jiang Zemin's upcoming visit to his country will be a success.

Ambassador A. Alimov said in a recent interview with XINHUA that Jiang's first ever visit to Uzbekistan will further promote the friendly relations and cooperation between the two countries.

In particular, he added, the visit will strengthen the cooperation and exchanges between the two countries in economy, trade, science, technology, communications and other spheres.

According to the ambassador, Uzbekistan and China are expected to sign a number of agreements concerning economic and technical cooperation during Jiang's visit.

Alimov said the economies of Uzbekistan and China can supplement each other in many ways and Uzbekistan is willing to expand the cooperation with China in various areas.

The ambassador spoke highly of China's role in maintaining peace and stability in the central Asian region, adding that Uzbekistan is willing to increase the cooperation with China in international affairs.

Uzbekistan will be the fourth leg of Jiang's current six-nation tour.

Southeast Asia & Pacific

PRC: Thai Supreme Commander, Chi Haotian Hold Talks

BK3006075196 Bangkok XIN ZHONG YUAN RIBAO in Chinese 29 Jun 96 p 16

[Unattributed Report]

[FBIS Translated Text] Supreme Commander General Wirot Saengsanit is currently on a visit to China. On 27 June, he paid a courtesy call on General Chi Haotian, vice chairman of the PRC Central Military Commission and Defense Minister.

The two sides exchanged views on bilateral issues during the cordial meeting.

Vice Chairman Chi Haotian told the Thai supreme commander that good Chinese-Thai relations and cooperation and the frequent exchanges between the two armed forces demonstrate the desire of both sides for strengthening relations and cooperation. He said military cooperation between them began in 1980 when Vietnam occupied Cambodia.

According to an unconfirmed source, during his visit to China, General Wirot may inspect Chinese weapons or hold talks on arms purchases.

PRC: Wen Jiabao: Hanoi Talks Have 'Positive Influence' on Ties

OW3006133596 Beijing XINHUA in English 1320 GMT 30 Jun 96

[FBIS Transcribed Text] Hanoi, June 30 (XINHUA) — China and Vietnam have reached consensus on many issues, especially on the enhancement and development of bilateral relations, a senior Chinese Communist Party (CPC) official said here today.

In an interview with Vietnamese local press, Wen Jiabao, acting head of the CPC delegation to the Eighth National Congress of the Communist Party of Vietnam (CPV), said Chinese Premier Li Peng and General Secretary of CPV Du Muoi held talks on June 27, the two leaders expressed satisfaction with the development of the relations between the two communist parties and the two peoples.

The talks will certainly have positive influence on the further consolidation and enhancement of the neighborly, mutually beneficial and cooperative relations of the two countries, said Wen, who is also an alternate member of the Political Bureau and member of the Secretariat of the Central Committee.

Wen expressed optimism on the prospect for Sino-Vietnamese relations, saying "it is the common aspira-

tion of the two peoples to promote friendship, strengthen cooperation and seek common development".

"The Sino-Vietnamese neighborly relations, based on the basis of the five principles of peaceful co-existence, will be further pushed ahead," Wen added.

Asked about his view on the political report of the CPV congress, the Chinese official said the report embodied the line of adherence to the socialist path and the leadership of the Communist Party, which was set down at the Seventh National Congress of the CPV and reflected the common hope of the Vietnamese people.

"We believe that under the leadership of the CPV, the Vietnamese people will bring a more prosperous and stable socialist Vietnam into the 21st century," he said.

Premier Li left Hanoi for home on June 28 after attending the opening session of the CPV National Congress.

PRC: Chinese Prime Minister's Visit to Vietnam Previewed

BK0107023896 Beijing China Radio International in Vietnamese 1100 GMT 27 Jun 96

[FBIS Translated Text] At the invitation of the Central Executive Committee of the Communist Party of Vietnam [CPV], Prime Minister Li Peng, standing member of the Communist Party of China [CPC] Central Committee Political Bureau, led a delegation of the CPC aboard a private plane on the morning of 27 June to depart Beijing for Vietnam to attend the Eighth National Party Congress of the CPV, which opens on 28 June.

This is the first time in the history of the relations between the two parties and the two countries of China and Vietnam that Chinese Prime Minister Li Peng has led a high-ranking delegation to attend a CPV congress. That is why this visit of Prime Minister Li Peng bears special significance. It will cast a profound influence on the development of the friendly relations between the two parties and two countries of China and Vietnam.

Vietnam is an important neighbor bordering the south of China. The interaction between the two peoples started very early in history. The two countries have always supported and helped each other in the struggle to regain national independence and liberation. As early as the 1920's, the Chinese and Vietnamese communists began their relationship. On 3 February 1930, the CPV was officially established in Kow Loon, China. In March 1935, the First CPV Party Congress held in (Ao Mon), China. After the People's Republic of China came into existence, the Communist Party and Government of China gave open-handed and valuable assistance to

the national liberation undertaking and the building of socialism in Vietnam.

In 1960 when the CPV held its third congress, the CPC accepted an invitation and sent a CPC delegation led by Deputy Prime Minister Li Zhiyun, member of the CPC Central Committee Political Bureau. In the 1970's, relations between China and Vietnam entered a turbulent period and relations between the two parties were disconnected. In November 1991, the CPV General Secretary Do Muoi, and Prime Minister Vo Van Kiet led high-ranking delegations to visit China. The two sides announced a joint communique, and resumed normalization of relations between the two countries.

Since then, exchanges of high-level visits have taken place at a rapid rate. Prime Minister Li Peng, the second leader of the CPC, and President Jiang Zemin visited Vietnam in 1992 and 1994 respectively. Vietnamese President Le Duc Anh, National Assembly Chairman Nong Duc Manh also visited China. In November last year, Party General Secretary Do Muoi once again paid a friendly visit to China and lifted the relations between the two parties and two countries of China and Vietnam to a new height.

China and Vietnam are both developing socialist states and are neighbors having many things in common. China is now implementing the reconstruction and open-door policies to build a socialism with Chinese colors. Vietnam is also undertaking the renovation process, with economic development being the core task and party building the major foundation. China and Vietnam maintain and develop friendly, solid, and long-term relations, which suit the interests of the two peoples and are also for the benefit of peace, stability, and development in the Asia Pacific region, and even in the world.

The Communist Party and Government of China always highly regard the development of relations with the Communist Party and the State of Vietnam. The Chinese high-ranking delegation led by Comrade Li Peng to attend the Eighth National Party Congress of the CPV is strong evidence for this.

The Eighth National Party Congress is an important conference of the CPV. At this congress, all the achievements over the past 10 years of the renovation undertaking will be reviewed and strategic development targets to the end of the century will be determined. About 30 countries including China, North Korea, Cuba, Cambodia, Laos, and so forth will send delegations to attend the congress. The delegation of the CPC will attend the opening ceremony of the Eighth National Party Congress of the CPV and Comrade Li Peng will deliver a speech at the congress. Also on this occasion, Comrade

Li Peng will also meet with Vietnamese leaders to work for a higher consensus on the development of bilateral relations.

The visit by Comrade Li Peng will not only strengthen the friendly and cooperative relations between the two parties of China and Vietnam but will also encourage a further development of the relations between the two countries.

PRC: Li Peng Speech at CPV Congress

OW2806144296 Beijing XINHUA Domestic Service
in Chinese 1101 GMT 28 Jun 96

[FBIS Translated Text] Hanoi, 28 Jun (XINHUA) — Comrade Li Peng, head of the CPC delegation, CPC Central Committee Political Bureau Standing Committee member, and State Council premier, today delivered an important speech at the opening ceremony of the Eighth National Congress of the Communist Party of Vietnam [CPV], in which he extended warm congratulations to the Eighth CPV National Congress on behalf of the CPC. The full text of Comrade Li Peng's speech follows:

Distinguished comrades attending the Eighth CPV National Congress:

At a time of the grand opening of the Eighth CPV National Congress, I am very glad to be able to attend this historic conference as the head of the CPC delegation on behalf of the CPC Central Committee. On behalf of the CPC, I extend warm congratulations to the Eighth CPV National Congress. Through the congress, I also extend my best regards to all CPV members and the Vietnamese people.

The CPV was personally founded by President Ho Chi Minh, the great leader of the Vietnamese people and a close friend of the Chinese people. It is the political party of the Vietnamese working class and the organizer and leader of the Vietnamese people's undertakings in revolution and construction. For more than half a century, the CPV persisted in combining the basic tenets of Marxism with Vietnam's specific conditions and successfully led the Vietnamese people in waging a national democratic revolution and in carrying out socialist construction. In the past 10 years, the CPV led people throughout the country in carrying out the program of renovation and opening up, scoring major achievements and bringing striking changes to the country. In the changing international situation, the CPV has upheld Marxism-Leninism and Ho Chi Minh Thought; has persisted in exercising the leadership of a Communist party; has kept to the socialist orientation; and has adhered to the new line of overall renovation that takes economic

construction as the center and party building as the key. Thanks to the efforts of the entire party and people, the country has effectively safeguarded its stability, promoted economic development, gradually improved its people's lives, constantly expanded relations with foreign countries, and raised its international status. We have always maintained that a country's development path should be decided by the people of that country in light of their national conditions, and no other country may interfere with it. We rejoice at the fact that the CPV and the Vietnamese people have succeeded in finding a road to development that conforms to their own national conditions.

Practice has proved and will continue to prove that although the world's socialist cause has suffered setbacks, the socialist cause will overcome difficulties that lie ahead, undergo constant consolidation and development during the course of practice in various countries, and have great vitality and a bright future, provided we correctly draw lessons from history and do a better job of closely integrating the basic tenets of Marxism and the basic principles of socialism with the specific conditions of our countries and the new situation of the changing times.

The Eighth CPV National Congress will comprehensively sum up the cause of Vietnam's 10-year renovation and formulate a plan for economic and social development in the next five years as well as the targets of development through the year 2020. It will be an important meeting in the history of Vietnam's socialist construction, which will serve as a link between past and present and carry forward the cause into the future. We must deeply believe that under the CPV Central Committee's leadership, all CPV members and Vietnamese people will follow the guidelines laid down at the Eighth CPV National Congress and continue to push forward the cause of all-round renovation. Through arduous efforts, you will definitely bring a more stable and prosperous socialist Vietnam into the 21st century and realize your targets of development.

China and Vietnam are linked by mountains and rivers. Exchanges between the two peoples go back to ancient times. In the struggle for independence and national liberation, the two parties and peoples have written chapters of friendship by supporting each other and cooperating closely. We are pleased to see that since China and Vietnam normalized their relations, friendship and cooperation between the two countries in the political, economic, scientific and technological, cultural, and every other field have continued to strengthen. Leaders of the two parties and countries have increased exchange and contact, exchanging and jointly exploring the experience in pushing their countries' socialist construction.

Here it must be pointed out in particular that the visit to Vietnam by Comrade Jiang Zemin, general secretary of the CPC Central Committee, in November 1994 and the visit to China by Comrade Do Muoi, general secretary of the CPV Central Committee, have made major contributions to further strengthening and developing friendship and cooperation between the two parties and two countries and pushing Sino-Vietnamese relations to a new stage of development. Undoubtedly, they will have far-reaching impact on peace, stability, and development in the Asian region.

Under the leadership of the CPC Central Committee, with Comrade Jiang Zemin as its core, and upholding Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics and the CPC's basic line as their guide, the CPC and Chinese people are continuing to push ahead with reform, opening up, and modernization and are working hard to fulfill the Ninth Five-Year Plan and the long-term targets through the year 2010. We are fully confident of China's future.

Comrades and friends, our two countries share much in common. We both face the common task of developing the economy and improving the people's livelihood, we are carrying out reform and construction based on our countries' realities and embarking on the road of socialism with our own characteristics, and we both need a long period of peaceful and stable international environment. Sino-Vietnamese friendship has a profound foundation. We firmly believe that through joint efforts, the friendly relations between the CPC and CPV, which were founded on the principles of independence, complete equality, mutual respect, and non-interference in other's internal affairs, and the friendly relations between the two countries, which were founded on the five principles of peaceful coexistence, are bound to further strengthen and develop.

I sincerely wish complete success of the Eighth CPV National Congress!

PRC: Vietnam Communist Party Congratulates CPC Anniversary

*OW3006035896 Beijing XINHUA in English
0300 GMT 30 Jun 96*

[FBIS Transcribed Text] Hanoi, June 30 (XINHUA) — A senior Vietnamese Communist Party (CPV) official extended warm congratulations on the 75th anniversary of the founding of the Chinese Communist Party (CPC) on Saturday.

Hong Ha, chairman of the Commission for External Relations of the Central Committee of the Vietnamese Communist Party, handed a message of congratulation

by the CPV's Central Committee to Wen Jiabao, acting chief of the Chinese delegation attending the Eighth National Congress of the CPV.

Wen is alternate member of the Political Bureau of the Central Committee of the CPC and member of the Secretariat of the Central Committee.

On behalf of the CPV leaders, Hong Ha expressed warm congratulations to the CPC and all the Chinese party members on the anniversary that falls on July 1.

The Chinese Communist Party has a glorious history and the CPV is glad to see the healthy development of relations between the two parties, Hong Ha said.

He recalled CPC General Secretary Jiang Zemin's visit to Vietnam in 1994 and CPV General Secretary Do Muoi's visit to China in 1995 as two major events in the development of the bilateral ties.

It is of great importance that the Central Committee of the CPC sent a high level delegation, headed by Premier Li Peng, to attend the Eighth National Congress of the CPV, said Hong Ha, who is also a member of the Secretariat of the Central Committee of the CPV.

The move embodies the resolution of both parties to further enhance the friendly cooperation between the two parties, two countries and two peoples.

Wen thanked the Central Committee of the CPV for its congratulations.

He said the Chinese people, under the leadership of the CPC, has achieved great successes both in the fights for liberation and the building of socialism since the founding of the party in 1921.

Wen contributed the successes to the combination of the general principles of Marxism with the reality of China as well as the practice of building China in a way that is most suitable to the nation's situation.

Sticking to the theory of building socialism with Chinese characteristics and the party's basic policies, the Chinese people are making further efforts in their socialist modernization drive under the leadership of the Communist Party, Wen noted.

He also spoke highly of Du Muoi's political report at the opening session of the CPV's Eighth National Congress.

The Chinese people believe that, Vietnam, led by the CPV, will achieve prosperity and progress through all-round reforms, he said.

In another development, the Chinese delegation Saturday morning paid their respects to the remains of the late Vietnamese leader Ho Chi Minh.

Li Shuzheng, head of the International Liaison Department of the Central Committee of the CPC, and her Vietnamese counterpart, Hong Ha, held talks Saturday night on further consolidating and improving the friendly cooperation between the two parties.

PRC: Shipping Develops on Lancang-Mekong River
OW2106044296 Beijing XINHUA in English
0347 GMT 21 Jun 96

[FBIS Transcribed Text] Nanning, June 21 (XINHUA) — Southwest China's Yunnan province has been developing international shipping on the Lancang-Mekong river in recent years, in coordination with neighboring Myanmar [Burma], Laos and Thailand.

The province has 40 ships engaged in international shipping on the river, and 43,000 tons of cargo are carried out of the country each year, compared with just 500 tons in 1991.

The Lancang-Mekong River rises in the Tanggula Range in Qinghai province, and flows through Qinghai, Tibet Autonomous Region and Yunnan, and then through Myanmar, Laos, Thailand, Cambodia and Vietnam before reaching the sea in Ho Chi Min city.

The 4,880-km-long river is the biggest in southeast Asia, and 2,161 km of it are in China. It is the top water transport passage linking Yunnan province and southwest China with southeast Asia.

Yunnan has been harnessing different sections of the river since 1987. And the four countries along the upper reaches of the Mekong river - China, Laos, Myanmar, Thailand - have conducted four joint surveys in different seasons to prepare for developing shipping and harnessing the channels.

In 1994 China and Laos became the first to sign a bilateral pact on passenger and cargo transport on Lancang-Mekong river.

Jinghong and Simao ports in Xishuang Banna have been approved as national category first ports of entry.

West Europe

PRC: ZTS Article Opposes German Interference on Tibet Issue

OW2906022696 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 1351 GMT 28 Jun 96

[Special article by ZHONGGUO TONGXUN SHE reporter He Chong (6320 0394): "China Opposes Germany Using 'Tibet Human Rights Issues' To Interfere With Its Internal Affairs"]

[FBIS Translated Text] Hong Kong, 28 Jun (ZTS) — Recently, some figures in Germany used "Tibet

human rights issues" to interfere in China's internal affairs. China immediately criticized such a move and declared that the German foreign minister's visit to China has been postponed indefinitely. Germany has yet to examine its own irrationality. Domestic and foreign public opinion supports China's reasonable struggle.

The Tibet issue, similar to the Taiwan issue, is a politically sensitive issue. At the beginning of the 20th century, that is, at the end of the Qing Dynasty and at the beginning of the Republic of China, some British people schemed and instigated "Tibet independence," but failed in the end. In 1959 the Dalai Lama rebelled, ran away, and became an exile in India. Countries including Britain and the United States once again supported the Dalai Lama in staging "Tibet independence" activities. When the Cold War ended at the beginning of the nineties, major Western powers changed their strategies: While recognizing Tibet as a part of China, they used the so-called "Tibet human rights issues" to interfere with China's internal affairs in an effort to instigate national and religious contradictions in China, to futilely attempt to split China, and to obstruct China's development.

Originally there were no major obstacles to the development of Sino-German ties. In recent years, the two countries have relatively rapidly developed their economic relations and trade. At present, Germany has become China's fourth largest trading partner, and there is no fundamental conflict of interests. Both sides should have valued such relations. However, some figures in the ruling Alliance for Germany and German Federal Parliament still maintain Cold War concepts, regard the U.S. "human-rights diplomacy" as their guideline, and intend to use "Tibet human rights issues" to interfere with China's internal affairs.

In recent years, the Free Democratic Party of Germany (FDP), a member of the ruling Alliance for Germany, has been creating troubles on the Tibet issue: Every year it invites the Dalai to Germany to take part in some activities. In 1996 it organized an international meeting to support the Dalai clique and directed the adoption of a resolution on "Tibet human rights" in the German Federal Parliament. To become Western "human rights fighters," these people do not worry about damaging state relations with China.

The FDP used the Friedrich-Naumann Foundation (FNF) to hold an international meeting in Bonn to support the Dalai clique. The meeting, entitled the "Second International Meeting in Support of Tibet Groups," publicly supported the Dalai clique to stage activities to split China and libeled the Chinese Government as "encroaching on Tibet human rights." Consequently, it is natural that the Chinese Foreign Ministry immediately

declared that China's State Statistical Bureau would suspend cooperative relations with Germany's FNF, and that all FNF activities in China shall be stopped.

However, before the old problems were resolved, new problems have cropped up. Despite Chinese diplomats' repeated presentations, the German Federal Parliament arrogantly discussed and adopted a so-called "Resolution on Improving Tibet Human Rights [hereafter termed as the 'Resolution']". Besides libeling the Chinese Government as "encroaching on human rights in Tibet," the "Resolution" even demanded that the Chinese Government hold talks with the Dalai clique and satisfy the Dalai's demands.

On 20 June, the same day the "Resolution" was adopted, the Chinese Embassy in Germany was the first to issue a protest statement. It pointed out: "The German Federal Parliament's measure is in open violation of the norms of international law and a gross interference in the internal affairs of China.... [ellipses as published] Such an unfavorable action will also eventually damage Germany's fundamental and long-term interests." On 23 June, a spokesman of the Chinese Foreign Ministry issued a statement on China's decision to postpone German Vice Chancellor and concurrently Minister of Foreign Affairs Kinkel's visit to China. He pointed out: The Federal Parliament of Germany, in disregard of China's repeated solemn representations, discussed and passed an anti-Chinese resolution on Tibet. This action by the federal parliament has seriously hurt the Chinese people's feelings. China maintains that in the current circumstances, the atmosphere is obviously unsuitable for Vice Chancellor and concurrently Minister of Foreign Affairs Kinkel to visit China, who was originally scheduled for an 11-14 July visit. The Chinese side has decided to postpone the visit. According to press reports, domestic and foreign public opinion commended China for upholding principles, launching limited retaliations on Germany, and conducting a reasonable, advantageous, and systematic struggle.

China's strong response was beyond certain German people's expectations. Consequently, public opinion in Germany criticized the government and parliament for their actions. According to press reports, headlines in scores of newspapers on 24 June reported the news on China postponing Kinkel's visit. Some editorials criticized the German Federal Parliament for making unnecessary comments on China's Tibet, and also criticized Kinkel who, as member of the FDP Standing Committee, failed to stop the FNF in supporting the Dalai clique. The papers asked why key government officials supported the "Resolution" on Tibet in the German Federal Parliament. They should be held responsible for the worsening of favorable German-Chinese ties.

It is noteworthy that a statement of the Federation of German Industries said: It hoped that the discrepancy between China and Germany over the Tibet issue will not affect Sino-German bilateral economic relations and trade. Some people commented on the statement: Having invested several billion Deutsche marks in China, German economic circles have much at stake. The consequences will be serious if the Tibet issue obstructs economic cooperation. It seems that German economic circles are pressuring German politicians to change their attitude toward China.

PRC: Chen Jinhua Discusses 9th 5-Year Plan in Italy

OW3006133496 Beijing XINHUA Domestic Service in Chinese 0315 GMT 25 Jun 96

[By reporter Yuan Jinlin (5913 6930 2651)]

[FBIS Translated Text] Milan (Italy), 24 Jun (XINHUA) — While explaining China's Ninth Five-Year Plan and focuses of foreign economic cooperation to Italian financial and business circles on 24 June, Chen Jinhua, Chinese minister in charge of the State Planning Commission, said: The Ninth Five-Year Plan will be an important period for carrying forward our cause and forging ahead into the future of reform, opening up, and the socialist modernization drive. China's economic construction needs cooperation and support from the world, while China's political and economic stability and vast market of 1.2 billion people will, in turn, make positive contributions to the global economy.

Chen Jinhua said: During the Ninth Five-Year Plan period, China will open up infrastructure for energy, transportation, and telecommunications to the outside world. It will, step by step, open up the financial, insurance, commerce, and foreign trade sectors.

Discussing Sino-Italian trade, Chen Jinhua said: The Chinese Government has always attached great importance to trade and cooperation with Italy. In recent years, Sino-Italian trade has seen sustained growth, registering an all-time high in 1995, with bilateral trade reaching \$5.182 billion. Of this, Chinese exports were \$2.067 billion and imports were \$3.115 billion, up 11.2 percent and 29.8 percent, respectively, from 1994. As of the end of 1995, Italy had invested in 863 projects in China, with \$1.33 billion investments negotiated and \$780 million actually invested. Between 1981 and 1995, China imported from Italy 563 technological projects worth \$6.279 billion. Meanwhile, the Italian Government has provided five government loans totaling \$2.3 billion to China. In addition, the two countries have cooperated well in automobiles, the petrochemical industry, textiles, steel, power generation, city water supply, and gas.

In conclusion, Chen Jinhua expressed the belief that the potential for developing bilateral ties is great as Italy enjoys an edge in developing production and improving people's lives and can find markets and partnership in China.

PRC: Jiang Zemin Begins Norway Visit

OW2906000696 Beijing XINHUA Domestic Service in Chinese 1529 GMT 27 Jun 96

[By reporters Xu Furui (6079 4395 3843), Ju Mengjun (0215 1322 6511), and Gao Xinghua (7559 5281 5478): "President Jiang Zemin Arrives in Oslo, Starts Visit to Norway"]

[FBIS Translated Text] Oslo, 27 Jun (XINHUA) — Invited by Norwegian King Harald V, PRC President Jiang Zemin arrived in Oslo by special plane at midday on 27 June to start a three-day state visit to Norway. Jiang Zemin made a speech at the airport hoping that his visit will further increase mutual understanding and consolidate and strengthen the two countries' friendly cooperation in all fields.

This is the first visit by a Chinese head of state to Norway. When Jiang Zemin's special plane entered Norway's territorial air space, Norwegian Air Force fighter planes welcomed it in the sky and escorted it to the Oslo international airport. After his plane landed, Prince Matta Louise, representing the Norwegian king and queen, and some government officials welcomed Jiang Zemin. Zhu Yinglu, Chinese ambassador to Norway, and other diplomats also went to the airport to welcome him.

In his written speech, Jiang Zemin said that the friendly exchanges between the Chinese and Norwegian peoples are long and well established. Norway was one of the earliest Western countries to establish diplomatic relations with New China. The Chinese people have always cherished good feelings for the Norwegian people. He said that in recent years, through the common efforts of both sides, the two countries' political, economic, and cultural exchanges and cooperation have continuously strengthened.

Jiang Zemin believed that developing the two countries' friendly relations that will remain stable for a long time on the basis of mutual respect, equality, and mutual benefit completely conforms with the interests and wish of the Chinese and Norwegian peoples and is also beneficial to preserving world peace and stability. As reported, President Jiang Zemin will exchange views with Norwegian leaders on bilateral relations and international issues of common interest and will also conduct wide-ranging contacts with people in various circles in Norway.

Accompanying President Jiang Zemin in his current visit were: His wife Wang Zhiping; Vice Premier and Foreign Minister Qian Qichen and his wife Zhou Hanqiong; special assistant Zheng Qinghong; Wang Zhongyu, minister of the State Economic and Trade Commission; Gan Ziyu, vice minister of the State Planning Commission; Deputy Foreign Minister Wang Yingfan; Sun Zhenyu, vice minister of foreign trade and economic cooperation; as well as special assistants Teng Wensheng and You Xigui. They arrived in Oslo by the same plane.

Norwegian King Herald V held a grand ceremony in the palace square to welcome President Jiang Zemin. When President Jiang Zemin's convoy entered the front road of the palace, the honor guards fired a 21-gun salute. King Herald and Queen Sonya welcomed President Jiang and his wife Wang Zhiping. Both sides cordially shook hands and expressed regards to each other. Subsequently the military band played the two countries' national anthems. President Jiang reviewed the guards of honor in King Herald's company. Norwegian Prime Minister Mrs. Brundtland and parliamentary speaker Mrs. Grondahl attended the welcome ceremony.

After the welcome ceremony, King Herald and Queen Sonya gave a luncheon in honor of President Jiang Zemin and his wife Wang Zhiping.

China and Norway, which is located in north Europe, have long-term friendly, cooperative relations. In the last 40-odd years of diplomatic relations, the two countries have made great development in exchanges and cooperation in various fields. Particularly in recent years, contacts between the two countries' leaders have increased and their mutual understanding has deepened. Public opinion here generally indicates that President Jiang Zemin's current visit will promote the development of the two countries' friendly, cooperative relations.

President Jiang Zemin arrived in Oslo from Barcelona after concluding his visit to Spain on that day. Norway is the second leg of President Jiang Zemin's current six-Eurasian-nation tour. He will visit Romania, Uzbekistan, Kyrgyzstan, and Kazakhstan.

PRC: Jiang Zemin Urges Norway's Alertness to Dalai Lama's 'Activities'

HK0107070896 Beijing CHINA DAILY in English
29 Jun 96 p 1

[By Liu Shinan: "Jiang Affirms Tibet policy"]

[PTS Transcribed Text for FBIS] Oslo — The Dalai Lama has long been engaged in an attempt to split China and disrupt national unity, Chinese President

Jiang Zemin said here yesterday, urging Norway to be alert to his separatist activities.

Jiang made the remark as he held talks with Norwegian Prime Minister Gro Harlem Brundtland on the second day of his visit to Norway.

At the request of Brundtland, Jiang briefed his hostess about the development of economy, culture and religion in Tibet in recent years as well as the central government's policy on Tibet.

Jiang said the Chinese Government's policy towards the Dalai Lama has been clear and consistent. If the Dalai Lama completely abandons his attempt to gain independence for Tibet and stops all activities aimed at splitting the country, the central government will be prepared to enter negotiations with him at any time.

Jiang urged Norway to be alert to the Dalai Lama's scheme to seek international support for his separatist activities and prevent the friendly Sino-Norwegian ties from being disrupted by the Dalai Lama and his allies.

The Chinese president spoke highly of the positive attitude of the Norwegian Government, and "particularly that of the prime minister herself," towards developing Sino-Norwegian relations.

Brundtland said her country wanted to co-operate with China in the fields of energy, environmental protection and infrastructural construction. "Norway boasts advanced technologies in these fields, which it would like to transfer to China," she said.

Both leaders agreed that developed and developing countries should strengthen co-operation in protecting the global environment and that "on this issue, developed countries should take the chief responsibility."

Chinese Vice-Premier and Foreign Minister Qian Qichen and his counterpart, Bjorn Tore Godal, signed an agreement yesterday on the mutual establishment of consulate generals in Norway and China. The agreement is a result of talks between Chinese Premier Li Peng and Brundtland in China last November when the Norwegian prime minister visited China.

Before the talks with Brundtland, Jiang met with high-profile members of the Norwegian business community.

He urged them to go to China to acquire a better understanding of China's current economy and of the future opportunities there. "Seeing is believing," he said, quoting a popular Chinese saying.

Jiang told the business leaders that "historic achievements have been made since China embarked on reform and opening-up towards the end of 1970s." He said the

rapid growth of gross national product (GNP) had enabled China to accomplish the goal of quadrupling the 1980 GNP five years ahead of schedule, at the end of last year.

Jiang described an improved investment environment in China, saying that China had become one of the countries with the highest investment returns.

Jiang predicted that up to the end of this century, China will have an accumulated import and export trade volume of more than \$1,600 billion. "Broader economic exchanges between China and the rest of the world will undoubtedly serve the country's economic growth and instill fresh vitality into the world economy as well," he said.

Satisfying results have been achieved in co-operation between Chinese and Norwegian business communities in shipbuilding, hydroelectric power and chemical industries, the president said. "However, much remains to be done considering the level of economic growth of our two countries and the potential for future development."

Representatives of leading Norwegian companies in the fields of maritime, chemical and energy industries briefed Jiang and his entourage on their business scopes and their co-operation projects with Chinese partners.

At the welcome banquet given by King Harald V on Thursday, President Jiang praised the Norwegian people for their pioneering spirit and courage demonstrated in the founding of the "nation of the sea," during wars against foreign invasions and in the post-World War II period.

King Harald V recalled his visit to China in 1985, saying he had been overwhelmed with admiration for the beautiful land and long history of the country.

PRC: Jiang Zemin Holds Talks With Norwegian Prime Minister

OW2906120596 Beijing XINHUA Domestic Service in Chinese 1454 GMT 28 Jun 96

[By reporters Ju Mengjun (0215 1322 6511), Xu Furui (6079 4395 3843), and Jiang Yaping (3068 0068 1627)]

[FBIS Translated Text] Oslo, 28 Jun (XINHUA) — Jiang Zemin, state president of China, who is on a visit here, held talks with Prime Minister Brundtland of Norway on 28 June. The two leaders hoped that through the current visit, mutual understanding can be further deepened, and new progress can be made in bilateral cooperation in various fields.

During the talks, Jiang Zemin said that relations between China and Norway, one of the first Western countries to

establish diplomatic ties with the People's Republic of China, have been, on the whole, constantly developing over the past 40 years and more. Particularly in the past few years, political contacts and exchanges between the two sides have increased remarkably, while friendly cooperation in trade, economy, science, technology, and other fields has expanded continuously. A good momentum of development in bilateral relations has emerged, and the Chinese side is happy to see this. He said: "We regard highly the positive attitude of the Norwegian Government, and the prime minister in particular, toward the development of Sino-Norwegian relations."

Jiang Zemin said that China attaches importance to developing relations with Norway. China and Norway have no conflicts of fundamental interests and have common or similar positions on major international issues. In recent years, tremendous changes have taken place in the international situation. However, common points of the two countries have not decreased but increased. Both countries hope to safeguard world peace, promote economic development, and bring human beings into a peaceful, stable, and prosperous 21st century.

He said that China and Norway have their own economic characteristics. The two economies are highly complementary and have much potential to be tapped. As the world moves toward multipolarity, further developing bilateral friendly and cooperative relations not only conforms with the common interest of China and Norway, but is also in line with the general trend of increasing cooperation between Asia and Europe. China is willing, together with Norway, to make efforts to further enhance bilateral political contacts; constantly open up new areas in trade and economic cooperation; and expand exchanges in science, technology, and culture on the basis of mutual respect, equality, seeking common ground while shelving differences, and mutually beneficial cooperation, so that the long-standing traditional Sino-Norwegian friendly relations can develop steadily and healthily over a long period.

Madame Brundtland said: "As your president put it, the two countries have long-standing and extensive traditional relations of cooperation; and, particularly in the past few years, bilateral trade and economic cooperation have injected fresh vitality into bilateral ties." She said that Norway hopes to cooperate with China in energy, environmental protection, and infrastructure development, as Norway possesses advanced technology in these domains which it is willing to transfer to China. People of economic circles of the two countries can explore the potential for cooperation in these domains. President Jiang expressed his agreement to this. He said that in these fields, particularly in environmental pro-

tection, the two countries have already cooperated very well. The concerned departments of the two governments should carry out in-depth and concrete discussion on this.

Both President Jiang Zemin and Madame Brundtland held that the developed countries and the developing countries should strengthen cooperation in environmental protection; and in this respect, the developed countries should undertake major responsibility.

At the request of Madame Brundtland, Jiang Zemin briefed her on the economic, cultural, and religious development in Tibet and on the central government's position on the Tibet issue. He said that the Dalai is not just a religious personality, but also a political fugitive who has over a long period conducted activities in an attempt to split the motherland and sabotage nationality solidarity. The Chinese Central Government's policy toward the Dalai has been consistent and clear-cut; that is, the central government is willing to hold negotiations with the Dalai at any time on condition that he thoroughly give up his stand of "Tibet independence" and stop activities to split the motherland. He expressed the hope that Norway will guard against the Dalai's attempt to seek international support for his splittist activities and that the friendship between China and Norway will not be interfered with or undermined by the Dalai clique.

President Jiang Zemin also presented to Madame Brundtland "A Collection of Historical Archives of Tibet" and other books and picture albums concerning Tibet's culture. Madame Brundtland expressed her thanks.

The two leaders also exchanged views on the issue of human rights and held that this is conducive to enhancing mutual understanding.

PRC: Jiang Zemin, Norwegian Leader Agree To Push Forward Ties

OW2806162696 Beijing XINHUA in English
1557 GMT 28 Jun 96

[FBIS Transcribed Text] Oslo, June 28 (XINHUA) — Chinese President Jiang Zemin and Norwegian Prime Minister Gro Harlem Brundtland agreed today to push forward bilateral cooperation in all fields.

During their talks, Jiang said that relations between China and Norway, one of the first Western countries to establish diplomatic ties with the People's Republic of China, have been going well over the past 40 years.

He said that in the past few years, political contacts and exchanges between the two sides have increased

remarkably while economic and scientific cooperation has expanded steadily.

"We regard highly the positive attitude of the Norwegian government, and the prime minister in particular, to the development of bilateral relations," Jiang said.

China attaches importance to developing relations with Norway, he said. "China and Norway have no conflict of fundamental interests and have common or similar positions on many major international issues."

Speaking about economic cooperation, the Chinese president said that the two economies are highly complementary and have much potential to be tapped.

As the world moves toward multipolarity, strengthening bilateral friendly and cooperative relations not only conforms with the common interest of China and Norway, but is also in line with the general trend of increasing cooperation between Asia and Europe, he said.

"We are ready, together with the Norwegian side, to further enhance bilateral political contacts, open up new areas in trade and economic cooperation, and expand exchanges in science, technology and culture on the basis of mutual respect, equality, mutual benefit, and seeking common ground while shelving differences," he said.

At the meeting, Brundtland agreed with Jiang that the two countries have long-standing and extensive cooperation and relations, and that trade and economic cooperation in the past few years have injected fresh vitality into bilateral ties.

She said that Norway hopes to cooperate with China in energy, environmental protection and infrastructure development as Norway possesses advanced technology in these domains which can be transferred to China.

At the meeting, Jiang also briefed Brundtland on economic, cultural and religious developments in Tibet and reaffirmed China's position on the issue of Tibet.

He pointed out that the Dalai Lama is a political fugitive who has for many years conducted activities that attempt to split the motherland and sabotage national unity.

The Chinese government's policy toward the Dalai Lama has been consistent and clear-cut: it will hold negotiations with him at any time on condition that he gives up his stand of "independent Tibet" and stops splittist activities, said Jiang.

He expressed the hope that Norway will guard against the Dalai's attempt to seek international support for his splittist activities and that the friendly relations between

China and Norway will not be disrupted or undermined by the Dalai clique.

Jiang, who arrived here Thursday for a three-day official visit, has met with Norwegian King Harald V, Parliament President Kirsti Kolle Grondahl and local business leaders.

PRC: Qian Qichen Exchanges Views With Norwegian Counterpart

*OW2906010896 Beijing XINHUA in English
2033 GMT 28 Jun 96*

[FBIS Transcribed Text] Oslo, June 28 (XINHUA) — Chinese Vice Premier and Foreign Minister Qian Qichen and Norwegian Foreign Minister Bjoern Tore Godal agreed here today that relations between the two countries can develop smoothly as long as both sides abide by the principles of mutual respect, mutual trust, equality and mutual benefit.

During a working dinner here today, the two foreign ministers spoke highly of the development of bilateral relations in recent years.

Qian is accompanying Chinese President Jiang Zemin on a three-day visit to Norway on June 27-29.

The two foreign ministers described the Chinese president's current state visit to Norway as "a very important event" in bilateral relations.

The visit, during which leaders of the two countries held candid and friendly talks on various issues of shared concern, bears great significance in the process of pushing forward the cooperative relationship between the two countries in all fields, they said.

In addition, they pledged to keep political consultations between the two foreign ministries.

Informed sources here said that at the dinner, Qian and Godal also exchanged views on international issues of mutual interest.

PRC: Consular, Trade Agreements Signed With Norway

*OW2906000796 Beijing XINHUA in English
1647 GMT 28 Jun 96*

[FBIS Transcribed Text] Oslo, June 28 (XINHUA) — Chinese Vice-Premier and Foreign Minister Qian Qichen and Norwegian Foreign Minister Bjoern Tore Godal signed an agreement today on establishing consulate generals in each other's country.

Under the accord, the Norwegian Consulate General will open in Shanghai in August this year. Torill Oftedal Sjaastad, a special advisor at the Norwegian Foreign

Ministry, has been appointed the Consul General in Shanghai.

Where and when the Chinese Consulate General in Norway is to be opened has yet to be decided.

China and Norway also signed three agreements on maritime and telecommunications cooperation today. Under one accord, Norway will sell 44 million U.S. dollars worth of chemical fertilizer to China.

Qian is accompanying Chinese President Jiang Zemin who is on a three-day official visit to Norway, starting Thursday.

Jiang and Norwegian King Harald V were present at the signing of the agreements.

PRC: Norwegian Prime Minister Holds Banquet for Jiang Zemin

*OW2906004796 Beijing XINHUA in English
0015 GMT 29 Jun 96*

[FBIS Transcribed Text] Oslo, June 28 (XINHUA) — Chinese President Jiang Zemin expressed his hope here today that China and Norway will establish "a friendly and cooperative relationship of long-term stability oriented towards the 21st century."

At the banquet held by Norwegian Prime Minister Gro Harlem Brundtland tonight in his honor, Jiang said Sino-Norwegian relations have developed smoothly over the past 40 years.

The economies of the two countries have their respective advantages and are highly complementary to each other, and the bilateral economic relations and trade have grown rapidly these years, he said.

In international affairs, both China and Norway are committed to the cause of peace and development and hold identical or similar views on many major international issues, he said.

He stressed that to further develop Sino-Norwegian relations "is not only in conformity with the common interests of our two countries, but also conducive to world peace, stability and development."

"It is our hope that with our joint efforts, China and Norway will establish and develop, on the basis of mutual respect, equality and mutual benefit, a friendly and cooperative relationship of long-term stability oriented towards the 21st century," the president said.

On domestic issues, the Chinese president said China will continue to further intensify the reform, open still wider to the outside world and work hard to attain the

grand goal of building China into a strong, democratic, culturally advanced and modern socialist country.

"The development and prosperity of China constitute a positive factor for world peace and stability and also open up a broad prospect of expanded cooperation between China and all the other countries in the world, including Norway," Jiang added.

At the banquet, the Norwegian prime minister said she was delighted that the Chinese president visited Norway for the first time, which "confirms extensive exchanges between us and will further expand and push forward bilateral friendship and cooperation," Prime Minister Brundtland told the Chinese guests.

"With her rich resources, culture and history of several thousand years, China is playing a more and more important role. In international affairs, we need China as an active and reliable cooperator; in developing international trade and working out global laws and rules, we need China as a partner; in solving global environment problems, we need China as a participant," she said.

The Chinese economy will lead the world early in the next century and the development mode of the Chinese economy is important not only to China itself but to the whole world as well, the prime minister said.

With regard to bilateral cooperation, Brundtland said Norway can offer technical expertise to China in the fields of maritime navigation, energy, chemical industry, environment protection and telecommunications.

Jiang arrived here Thursday [27 June] for a three-day state visit to Norway, the first such visit ever paid by a Chinese president. During his stay in Oslo, he held talks with the prime minister, King Harald V, parliament President Kirsti Kolle Grondahl and local business leaders.

Jiang will continue his trip to Romania, Uzbekistan, Kyrgyzstan and Kazakhstan before flying home on July 6.

PRC: Jiang Zemin Leaves Oslo for Bergen
OW2906091496 Beijing XINHUA in English
0849 GMT 29 Jun 96

[FBIS Transcribed Text] Oslo, June 29 (XINHUA) — Chinese President Jiang Zemin left here today for Bergen, a coastal city in western Norway, to continue his visit to the country.

Jiang, who arrived here Thursday [27 June] for a three-day state visit, has held talks with senior Norwegian leaders on bilateral and international issues of common

concern. He flew in from Spain after a visit to that country.

Both sides agreed that Jiang's visit will help push forward Sino-Norwegian relations.

Three economic and cooperation agreements have been signed during Jiang's visit. The two sides also agreed that Norway opens a Consulate General in Shanghai in August.

Bergen is the second largest city in Norway. After a brief visit there Jiang will fly to Bucharest, Romania, later today to continue his six-nation Europe and central Asia tour which will also include Uzbekistan, Kyrgyzstan and Kazakhstan.

East Europe

PRC: Jiang Zemin Starts Visit to Romania
OW2906172196 Beijing XINHUA in English
1645 GMT 29 Jun 96

[FBIS Transcribed Text] Bucharest, June 29 (XINHUA) — Chinese President Jiang Zemin arrived here today for a four-day state visit to Romania at the invitation of Romanian President Ion Iliescu.

In a written statement issued at the airport, the Chinese President said the aim of his visit is to "consolidate and expand Sino-Romanian friendly and cooperative ties," which are not only in conformity with the fundamental interests of the two peoples, but also beneficial to world peace and stability.

Jiang said China and Romania and their peoples enjoy traditional friendship, which has stood the test of time and turbulences in the world arena.

During the visit, Jiang said he will discuss with Romanian leaders on new ways to expand friendly and cooperative ties, get first-hand knowledge of Romania's achievements in social and economic development in recent years, and meet with old friends who had lived and worked with him.

Jiang made several visits to Romania in the past. In early 1970s, he worked as the head of the group of Chinese experts in Romania.

"I believe this visit will further deepen the understanding between the two countries and two peoples, and push forward our traditional friendship and mutually-beneficial cooperative ties," added Jiang, who was greeted by Romanian Foreign Minister Teodor Viorel Melescanu at the airport.

Romania is the third leg of Jiang's six-nation European and Asian tour, which will also take him to Uzbekistan.

Kyrgyzstan and Kazakhstan. He has already visited Spain and Norway.

PRC: Romania Hails Jiang Zemin's Forthcoming Visit

*OW2906153596 Beijing XINHUA in English
1453 GMT 29 Jun 96*

[FBIS Transcribed Text] Bucharest, June 29 (XINHUA) — People from all walks of life in Romania hail the forthcoming visit by Chinese President Jiang Zemin, saying that his visit will further the economic relations between the two countries.

Local newspapers, which all carried Jiang's picture with his biographical notes today, said that his visit will be of great significance to the Romanian-Chinese ties.

The spokesman for the Romanian Presidency, Tranian Chebeleu, told a press conference that Jiang's visit, which is a good omen, will promote the economic links between the two countries.

Romanian Foreign Ministry spokesman Sorin Ducaru described Jiang as an old friend of Romania, saying his visit will bring the Romanian-Chinese relationship to a new stage.

Chairman of the Romanian-Chinese Friendship Association Florea Dumitrescu said Romanian people will give Jiang a warm welcome as they cherished very friendly feelings for the Chinese president, who worked as the head of the Chinese experts group in Romania in the 1970s.

Dumitrescu, once Romanian ambassador to China, spoke highly of his talks with Jiang, who was then Minister of Electronics Industry and emphasized the importance of developing the friendly ties between China and Romania.

Aristide Predoi, an advisor of the Romanian Information Commission, said he was deeply impressed by Jiang's erudite, humorous style of conversation and amicability when he worked in Romania more than 20 years ago.

Latin America & Caribbean

PRC: Argentine President on China's Contributions to Mankind

*OW3006104296 Beijing XINHUA Domestic Service
in Chinese 0127 GMT 22 Jun 96*

[By reporters Xue Hong (5641 7703) and Li Shiyi (2621 2514 1355)]

[FBIS Translated Text] Buenos Aires, 21 June (XINHUA) — Meeting Wu Yi, visiting Chinese minister

of foreign trade and economic cooperation, in his official residence on 21 June, Argentina President Carlos Menem said: China has made valuable contributions to mankind.

During the meeting, Wu Yi first of all conveyed President Jiang

Zemin's and Premier Li Peng's regards to President Menem, who asked Wu Yi to convey his regards to the two Chinese leaders.

President Menem said: China has made valuable contributions to mankind, both politically and economically. The Chinese Government and people are playing an increasingly great role in international affairs. He has visited China twice as President and is now preparing for a third visit to China. Argentina hopes to strengthen further the cooperative relations between the two countries in various fields of endeavor.

Wu Yi said: President Menem is an old friend of the Chinese people and has made outstanding contributions to the development of friendship between the two peoples of China and Argentina and cooperation in various fields. The mutual visits of senior Chinese and Argentine leaders have played an active role in promoting bilateral relations of friendship and cooperation.

Wu Yi pointed out: Argentina is China's second biggest trading partner in Latin America, and the Chinese Government attaches great importance to developing cooperative relations in the economic and trade fields with Argentina.

Under President Menem's leadership, the Argentine Government has overcome the influence of Mexico's financial crisis and has recovered and developed the economy. Wu Yi was pleased with this and expressed admiration for it.

Following her visits to Cuba, Peru, Mexico, Chile, Wu Yi arrived in Argentina on the evening of 19 June and will leave for Uruguay and Brazil on 22 June on visits to the two countries.

Political & Social

PRC: 'Text' of Jiang Zemin Article on Politics

OW3006151296 Beijing XINHUA Domestic Service
in Chinese 0532 GMT 30 Jun 96

["Full text" of Comrade Jiang Zemin's 3 March 1996 article to be published in the 1 July issue of QIUSHI: "On Paying Attention to Politics"]

[FBIS Translated Text] Beijing, 30 Jun (XINHUA) — One important guideline that the Central Committee underscored recently is that leading cadres must pay attention to politics. I talked about this issue at the Fifth Plenary Session of the 14th CPC Central Committee, the central economic affairs conference, the enlarged session of the Central Military Commission, the central conference on law enforcement, and the national conference of propaganda department heads, as well as during my inspection tours in Beijing, northwest China, and Guangdong. Party and non-party members now commonly hold that underscoring the need to pay attention to politics today is very essential and important. Today I would like to comment on this issue a little more.

The need to pay attention to politics is not a new issue as far as Marxist political parties are concerned. We can say that our forefathers — Marx, Engels, and Lenin — as well as Chairman Mao and Comrade Deng Xiaoping underscored this need all along. This is also a fine tradition of our party. Why should we emphasize this need now? We do so because we hope the whole party will act even more firmly, comprehensively, and correctly in following through with Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics and the party's basic line so that China can achieve even bigger successes in carrying out reforms, opening up to the outside world, and modernizing the country.

The decision made by the Third Plenary Session of the 11th CPC Central Committee to focus on economic construction is a strategic one that our party reached on the basis of thoroughly summing up its historical experiences. Our work fully proves that this is an entirely correct decision. Economy is the groundwork. To solve China's problems, we must, in the final analysis, count on economic development. In this sense, pooling our strength to build a modern China with a highly developed economy is in itself the grandest political endeavor. Thus, regardless of how the situation changes, we must continue to focus our attention on economic construction, except in the case of a large-scale foreign invasion. This is where we will absolutely not waver. While continuing to focus our attention on economic construction, we must also uphold the four cardinal principles and uphold the "two basic points" —

carrying out reforms and opening up to the outside world. This is also an objective truth that has been fully proven by our work. Upholding these "two basic points" are for the purpose of ensuring and promoting economic construction, which is our central task, and attaining modernization, our goal. China's reform and opening up endeavor has been very successful, and we must continue to work firmly to achieve even greater successes so that our economic and social development will be even more vital. The four cardinal principles are the most fundamental political conditions for ensuring our economic construction and economic and social development. While we must uphold the party's basic lines for 100 years without wavering, we must also not waver in approaching the one center and the two basic points. It is incorrect to think that we can ignore the work in other fields when we focus our attention on economic construction, or that all other projects will develop spontaneously once our economy has developed. This notion and doing our work on the basis of that notion is both unrealistic, one-sided, and harmful. We must learn how to dialectically understand and handle the relationships among reform, development, and stability; between material progress and cultural and ideological progress; between productive forces and production; and between the economic groundwork and the superstructure.

Socialist modernization is the grandest political endeavor today because it represents the people's greatest and most fundamental interests. Comrade Deng Xiaoping stated this very clearly at the outset of reform and opening up. Comrade Deng Xiaoping also stated very clearly at the outset of reform and opening up that economic construction and modernization must have the guarantee of political work. When he inspected Tianjin in 1986, Comrade Deng Xiaoping again stressed: "The power of reform and modern science and technology will be much greater with the support of our political work. We must pay attention to politics at any time." This is a very important thought. The Central Committee recently underscored the need to pay attention to politics in the hope that this idea of Comrade Deng Xiaoping's can be upheld and properly implemented. The requirement we set for leading cadres to pay attention to politics will absolutely not affect economic development, and we do not have any intention whatsoever of replacing economic work with political work. On the contrary, we wanted to create even more political conditions for the people in the country and provide them with an even stronger political guarantee so that they can accelerate the economic construction even more successfully with one heart and one mind. When we say we must pay attention to politics, we absolutely do not mean that China will reconsider taking class struggle as the key link and

promote "leftist" concepts as some overseas papers have falsely claimed. Much less are we going to launch any political campaign. These papers have ulterior motives when they fabricated public opinion like this. Fellow comrades must remain vigilant so as not to be fooled by them. Their worries and misgivings are totally unnecessary and totally groundless. When we say we need to pay attention to politics, we absolutely do not mean that we will repeat certain political slogans, or that we will practice armchair politics. What we will do is — as Comrade Deng Xiaoping stated long ago — closely integrate politics with economic and other work so that they can proceed in a more orderly manner along the right path.

The kind of politics we are emphasizing is Marxist politics and the politics of building socialism with Chinese characteristics. I said at the Fifth Plenary Session of the 14th CPC Central Committee that politics includes political orientation, political stand, political viewpoints, political discipline, political perception, and political sensitivity. Politics is a collective expression of the economy, and it serves the economy. This is a basic Marxist theory. There is no economy that can be separated from politics, and there is no politics that can be separated from the economy. Economic construction cannot be accomplished without a powerful political guarantee. Only when we pay attention to politics can we be sure that the party's basic theories, lines, and general and specific policies as well as state laws and regulations are implemented in economic construction and other endeavors and that we can guard against and do away with interference from all kinds of misconceptions and erroneous tendencies and maintain the right course of development. Only when we pay attention to politics can we mobilize, inspire, and rally people of all ethnic groups in the country to work hard to attain the magnificent goals that the party and the state have set for economic construction and social development. Only when we pay attention to politics can we correctly distinguish and handle the two different types of social contradictions, powerfully rebuff sabotage activities carried out by hostile forces at home and abroad as well as all forms of crime, and create a good social and political environment for economic development. Only when we pay attention to politics can we properly handle the relationships among all interested sectors, mobilize the initiatives of all quarters to the fullest extent, and do a good job in guiding, protecting, and giving play to their initiatives. Only when the vast number of cadres, especially leading cadres at all levels, pay attention to politics can they heighten their ideological and political awareness, and become more capable of supervising and controlling the whole situation as well as leading economic construction and the modernization drive. More-

over, only by paying attention to politics can the party uphold its objective of serving the people wholeheartedly and maintain its solidarity as well as its strong unity and flesh-and-blood ties with the people. In short, paying attention to politics is an essential requirement predetermined by the party's basic theory and basic lines and an essential requirement for accomplishing the great cause of building socialism with Chinese characteristics.

On the whole, the overwhelming majority of leading cadres do pay attention to politics. If they do not, then we cannot possibly have accomplished so much in our reforms, opening up, and economic construction. However, we must also realize that some comrades working in some localities and departments indeed pay no attention to politics or even ignore it. This is why their ideological and political construction is fragile and their ideological and political awareness has declined. We must attach great importance to this phenomenon. Today, some comrades read neither books nor newspapers; nor do they study documents and conduct investigation and study; and seldom do they observe the situation and consider an issue from a political perspective. They lack the kind of political discernment and political sensitivity they ought to have. Some carry out the party's policies and decisions only when these policies and decisions are agreeable to them. While the Central Committee has repeatedly given orders and instructions on certain issues, they simply turn a deaf ear to them and go their own ways. Protectionism in some localities and departments is so serious that they even harbor criminal conduct for the sake of protecting parochial or individual interests. Being unable to distinguish right from wrong, some refuse to reflect, report, stop, or fight erroneous speeches and deeds that are clearly against Marxism and that run counter to the party's basic lines and policies; and they even propagate and believe in rumors themselves and help spread the grapevine. To seek personal fame and interests, some are eager to establish connections and ties; and, by doing so, they have brought extremely despicable, sycophantic conduct into the party. When encountering problems, some demoralized comrades have tried to circumvent them, or performed their duties perfunctorily and formalistically, or even resorted to deception. Some comrades with a faint concept of the masses have failed to establish ties with the masses. Instead of caring about the masses' plight and helping them solve problems, they ride roughshod over them. Some have abused their power for personal gains; and, by doing so, they have seriously jeopardized the interests of the state and the people and have even fallen into the quagmire of crime. When making foreign contacts, some have failed to safeguard the interests of the state and the nation, and even have done things harmful to their personal dignity and the dignity of the country. I can cite other

examples. While there are many causes for these problems, the fundamental problem lies in their negligence to study, their failure in attending to heightening their ideological and political awareness, and the absence of Marxism and socialist politics from their minds. The Central Committee always emphasizes that all comrades in the party, especially those in leading positions, must make unremitting efforts to study Marxism-Leninism-Mao Zedong Thought, especially Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics, so that they can attain a higher political and theoretical level and can follow through with the party's basic lines comprehensively, correctly, and positively. I said at the national conference of propaganda department heads that, when it comes to issues of principle, leading cadres must take a clear-cut stand and pay attention to distinguishing certain basic lines of demarcation. For example, the lines of demarcation between Marxism and anti-Marxism, between common development of all kinds of economic ingredients with socialist public ownership as the mainstay on the one hand and privatization on the other, between dialectical materialism and idealistic metaphysics, between socialist thoughts and feudalistic and decadent capitalist ideas, between gaining advanced knowledge from the West and worshipping and fawning on foreigners, and between civil and healthy lifestyles and deleterious and degenerative lifestyles, and so forth. On these major issues, our leading cadres cannot afford to ignore what is right and wrong, or what is beautiful and ugly. They cannot simply ignore or tolerate those speeches that run counter to what our party stands for, or let those unhealthy tendencies, which are incompatible with our party's objectives and discipline, proliferate. Only when we are able to distinguish these lines of demarcation and remain sober-minded can we ensure a healthy development of the cause of building socialism with Chinese characteristics.

Now I would like to comment briefly on the issue of democracy. Democracy is a political concept that belongs to the realm of the superstructure. There has never been abstract or superclass democracy or absolute democracy in the world. The development of democracy is invariably linked with the interests, economic foundation, and social and historical conditions of a certain class. Each country has its own historical traditions and economic and social development realities, and its democratic situation must be in line with its national situation. China is a socialist state led by the CPC. The real nature of the CPC rule is that the people are the masters of the country. Our socialist democratic system, which embodies people's democracy in the broadest sense, is most suitable for China's situation and so it is the best democratic system. Some people in the United States

and other countries in the West always want to push their parliamentary democracy to all parts of the world and make it a universal pattern. This is wishful thinking. While the West has such things as an upper house and a lower house, we have only one leading power organ, namely the National People's Congress [NPC]. Just as Comrade Deng Xiaoping pointed out: "Our unicameral NPC tallies most to China's actual needs. So long as our policies and direction are correct, this greatly advantageous system is very helpful to a country's prosperity and development because it has done away with a great deal of implications." In our country, all the powers belong to the people. This is something that countries in the West can hardly match. We have every reason to state proudly that, compared with Western countries' "tripartite" political system, China's NPC system is much more democratic and superior. Of course, our socialist democracy must also continue to develop and improve in practice along with our economic, cultural, and social progress.

PRC: XINHUA English Reports on Article by Jiang Zemin

*OW3006152596 Beijing XINHUA in English
1517 GMT 30 Jun 96*

[FBIS Transcribed Text] Beijing, June 30 (XINHUA) — "QIUSHI" (Seeking Truth), the journal of the Party's Central Committee, will publish in its new issue Monday [1 July] the full text of an article written by General Secretary Jiang Zemin on the importance of politics.

In his article, Jiang said that attaching great importance to politics is not a new issue for a Marxist Party.

"But why we should stress the issue right now? The purpose is to ensure the whole Party has a better understanding of Comrade Deng Xiaoping's theory on building socialism with Chinese characteristics and the Party's basic lines so as to carry them out correctly and firmly."

Jiang pointed out in the article that the overwhelming majority of leading officials at all levels generally are concerned about politics. "But we should notice that some comrades in some departments and localities do neglect or even overlook the importance of politics, which has resulted in weakness in political conscientiousness and a decline in political quality."

He said that these problems mainly stem from a lack of education in politics, and limited knowledge of Marxist and socialist theories.

"Socialist modernization is the greatest political issue we must be aware of at present, because it embodies the

greatest and most fundamental interests of our people," said the article.

"The call to leading members to place importance on politics cannot hinder economic development, neither will we replace economic development with politics," said the article. "On the contrary, it will create more adequate political conditions and provide stronger political guarantees so that the entire country and its people can build up our economy with one mind and at a faster pace."

"Placing importance on politics is not simply to repeat political slogans or encourage armchair politicians, but rather to combine politics closely with the economy and other tasks. It also is to ensure that economic and other works will proceed in the right direction and in a better order," Jiang said.

"In general, giving prominence to politics is the necessary requirement of the Party's basic theory and principle, and is the precondition necessary to fulfill the great cause of building socialism with Chinese characteristics," he said in the article.

PRC: Editorial Sees Jiang Zemin's Role Under Increased Pressure

HK2406062496 Hong Kong EASTERN EXPRESS in English 24 Jun 96 p 11

[Editorial: "Pressure On Jiang Zemin To Conform"]

[PTS Transcribed Text for FBIS] China's official mouthpiece, the People's Daily, yesterday marked the Communist Party's coming 75th birthday on July 1, with a call for younger blood and a purge of corrupt officials.

This is a move by the party, now under the leadership of general secretary Jiang Zemin, to influence the party's 15th congress due next year. The congress will be important for Jiang's political future. He was hand-picked by Deng Xiaoping soon after the crackdown on June 4, 1989, but his authority has never been fully recognised within the party and the People's Liberation Army.

The Communist Party in China has shown signs of reverting to the old Stalinist ideology. The People's Daily has recently published an article emphasising the importance of politics. It said party officials are required to distinguish, during the process of economic reform, between capitalism and Marxism, and it stressed that China must resist the cultural influence of the West while embracing its technology and scientific skills.

The same tune has been played many times before by a party that lacks confidence in its control over

the Chinese people, who are becoming better off and benefiting from Deng's economic reforms. The leftwing ideologues interfere in the reforms in a blatant challenge to Deng.

Deng has repeatedly called for party officials to stop any theoretical debate on the differences between Marxism and capitalism but to concentrate on further economic reform. The latest People's Daily article criticises Deng's thinking, and signifies a new political struggle within the party as the ageing paramount leader's health deteriorates.

Jiang needs to exert his authority. But he is being forced to bow to the ideological pressure from the left in exchange from their endorsement for his status as Deng's successor. Jiang has no choice but to dance to the tune played by the left by holding high the flag of Marxism. This is a bad sign for China's political future.

Jiang has to face an increasingly hostile and aggressive army, whose influence has been expanding since China's three rounds of military exercises held prior to Taiwan's presidential election. At the party congress he will have to force a few veteran military leaders to retire, including Liu Huaqing, the vice-chairman of the party's Central Military Commission.

Whether he can achieve this remains in doubt. If Jiang compromises with the leftwing ideologues, he cannot afford to offend the army. His time is running out.

PRC: Hu Jintao: Party Must Continue 'Three' Styles of Work

OW2806161496 Beijing XINHUA in English 1527 GMT 28 Jun 96

[FBIS Transcribed Text] Beijing, June 28 (XINHUA) — The three important styles of work of the Communist Party of China: integrating theory with practice, forging close links with the masses, and practising criticism and self-criticism are a tradition cultivated by the CPC during a long period of struggle and must be continued, said a CPC top official.

This represents the political superiority of the CPC and is the chief reason for the success of the Chinese revolution and construction, said Hu Jintao, a member of the Standing Committee of the Political Bureau of the CPC Central Committee.

And, the achievements of party members and officials can be attributed to the implementation of these three important styles of work, Hu noted at a national meeting to commend outstanding party officials and party committees, at Zhongnanhai, headquarters of the CPC, today.

In referring to integrating theory and practice, Hu said, "A major point is to examine existing problems under the guidance of scientific theory, then judge what you have done and study again. In this way, we can get a good grasp of the objective law of socialist modernization."

On forging close links with the masses, he said that party leaders should devote themselves to the people, solve difficulties and meet the urgent needs of the masses, and guard against bureaucracy, formalism, individualism, and hedonism.

On practising criticism and self-criticism, Hu pointed out that "this is a must if we are to encourage healthy trends, overcome negative factors, improve party leadership, and reduce mistakes."

PRC: Party, State Leaders at Event To Mark CPC 75th Anniversary

OW2806162996 Beijing XINHUA in English
1554 GMT 28 Jun 96

[FBIS Transcribed Text] Beijing, June 28 (XINHUA) — A gala party was held this evening at the Great Hall of the People to mark the 75th anniversary of the founding of the Communist Party of China [CPC].

Party and State leaders Qiao Shi, Li Ruihuan, Zhu Rongji, Liu Huaqing, Hu Jintao, and Rong Yiren joined more than 8,000 people from all walks of life for the evening, here in the Chinese capital. Premier Li Peng, who just returned from a visit to Vietnam, was also able to attend.

The party was organized by the General Office, Organization Department and Propaganda Department of the CPC Central Committee and was performed by hundreds of artists from over 40 well-known cultural troupes nationwide.

The gala offered an hour and a half of Songs and dances representing various stages in CPC history, starting in 1921, and following the fights for liberation and the drive to build a socialist country.

This party was meant to demonstrate the CPC's determination to "inherit and continue the excellent tradition of the party, to unite and lead people of all nationalities in the country in the struggle to fulfill the 21st century development goals," according to a large banner hanging across the hall.

It was attended as well by state leaders, former leaders, leaders of non-Communist parties and the All-China Federation of Industry and Commerce, and other prominent persons. It was telecast live nationwide.

PRC: RENMIN RIBAO Editorial on CPC Founding
OW3006140796 Beijing XINHUA Domestic Service
in Chinese 0939 GMT 30 Jun 96

[RENMIN RIBAO editorial: "The Great Cross-Century Cause and the Communist Party of China — Congratulatory Message for 1 July"]

[FBIS Translated Text] Beijing, 30 Jun (XINHUA) — The great Communist Party of China has traversed a glorious history of 75 years.

These have been 75 years of revolution, 75 years of endeavor, 75 years of victory, and 75 years of splendor in the history of the invigoration of the Chinese nation.

When our party was established in 1921, it had only dozens of party members, appearing weak in the Chinese political arena where there were numerous political parties. A strong wind drove away the clouds, a big wave pounded the sand. Many political parties that were insufferably insolent at that time have long vanished like fleeting clouds, whereas our party has grown from small to big, from weak to strong and has developed into a big party with more than 57 million members, leading hundreds of millions of Chinese sons and daughters in opening up a brilliant new chapter for the motherland.

This is a historical miracle and a source of pride for the nation. This has not been accidental, of course, because our party is a party that combines the scientific theory of Marxism with the specific conditions of China's revolution and construction; a party that wholeheartedly serves the people, forms close ties with the masses, and enjoys the heartfelt support of the masses; in the prolonged combat against foul winds and rains of blood as well as terrifying waves and stormy seas, our party has fostered a large number of good quality, key leading cadres who are full of loyalty, dedication, and the spirit of sacrifice and are good at administering the country and the Army; under the firm and powerful leadership of the three-generational leading collective with Comrades Mao Zedong, Deng Xiaoping, and Jiang Zemin as the core, our party has always maintained its coherent force, centripetal force, and combat worthiness no matter how dangerous the environment has been and how difficult the tasks have been.

Members of the great Communist Party of China should be proud to be members. On the occasion of commemorating the party's birthday, every CPC member should think how to turn his pride into a sense of mission and responsibility, how to inherit and carry forward the party's fine tradition, how to work for the people's happiness, and how to do credit to the party.

When it is moving toward the next century, the CPC is facing a new crucial situation: Viewed from the international angle, bipolar confrontation has been replaced by a new pattern of multipolarization, with peace and development as its main aspects. However, competition backed by scientific, technological, and economic strength has not disappeared but is intensifying instead. Viewed from the domestic angle, on the basis of successfully completing the Eighth Five-Year Plan and basically resolving the problem of adequate food and clothing for the people, we will reach moderate prosperity by the end of this century and will basically bring about modernization in the middle of the next century. The task is arduous. The new century and new tasks are making new appeals to the party.

In the course of leading the people of all nationalities throughout the country in fulfilling all kinds of tasks at present, the party has always taken into account the great targets for the future. On the basis of the brilliant achievements during the Eighth Five-Year Plan, our party, focusing the people's determination, interests, and wisdom, lost no time in proposing cross-century targets of endeavor. The "Outline" of endeavor for the coming 15 years examined and ratified by the National People's Congress will further unite the entire people in working hard with one heart and one mind. The situation facing us is the coexistence of opportunities and challenges and the coexistence of favorable factors and difficulties. Thus we are required to further strengthen party building, improve party members' quality, and further enhance our ability to exercise leadership and administration.

The key to strengthening party building lies in strengthening building the troop of cadres. At a forum marking the 75th anniversary of the founding of the CPC that was held on the eve of "1 July," Comrade Jiang Zemin emphatically pointed out that endeavoring to build a high-quality troop of cadres is a pressing and important task. He pointed out: "The high-quality troop of cadres we want to build is one having both ability and political integrity and led by backbone leaders with the qualities of socialist statesmen. This troop should be large and composed of party and government cadres, enterprises management cadres, science and technology cadres, and cadres from other fronts." He set out the five fundamental political and professional qualities that the party's cadres, especially leading cadres, should possess, and pointed out: To improve political and professional qualities, we must first devote ourselves to in-depth and persistent study. Moreover, the most fundamental things to study are Marxism-Leninism, Mao Zedong Thought, and particularly Comrade Deng Xiaoping's theory of building socialism with Chinese charac-

teristics. At the same time, we should insist on toughening cadres through practice. The large numbers of cadres should have a clear understanding of their historical responsibility and actively throw themselves into the practice of the billions of masses. He held earnest expectations for the vast numbers of young cadres, hoping that they would firmly establish a correct world outlook and outlook on life; would have a correct understanding of values; would adhere to the correct political stand and course; and would be able to withstand the trial of being in power, reform and opening up, and development of the socialist market economy. He pointed out: "Building such a high-quality troop of cadres is needed to ensure that our party will always be at the forefront of the times, will be able to withstand all kinds of risks and trials, and will lead people across the country to continuously advance our socialist modernization work. Party committees at all levels must deepen their ideological understanding, enhance their sense of responsibility, work even harder, and, focusing on ideological and political building, closely and properly attend to this important task of building a troop of cadres — a task that affects the overall situation of the party and state. We must not be negligent or slack off for a moment." Comrade Jiang Zemin's remarks clearly pointed out the crucial elements for ensuring the smooth development of reform and construction and for ensuring the realization of our cross-century grand goal. Comrades of the whole party, especially leading cadres, should earnestly study and resolutely implement them.

Quality is an intangible strength. A troop of party cadres with good political, ideological, disciplinary, work-style, and professional qualities can greatly increase our party's rallying power, fighting capacity, and creativity; and can more closely mobilize and unite the billion of masses to struggle to realize the great cause of rejuvenating the Chinese nation. For a big party with more than 57 million members, like our party, its prestige and fighting capacity do not hinge on the number of party members, but primarily on the quality of its members. As the quality of the troop of party cadres improves, the quality of the entire party will definitely improve; as the quality of the entire party improves, the quality of all people of the nation will definitely improve; and, improvements in the quality of the entire party and all people of the nation will definitely become a powerful material force for victoriously driving forward our reform, opening up, and socialist modernization work. Comrades of the whole party must greatly enhance their sense and understanding of quality, more self-consciously improve their own quality, and make unremitting efforts to properly accomplish the task of party building — a great project with far-reaching significance.

The 75-year great course eloquently proves that, without the CPC, there would not be a new China, there would not be a prosperous and strong China, and there would not be the good and happy life of the people of all nationalities across the country. While reforming the objective world, the CPC is adept in reforming its own subjective world; it is adept in facilitating reform of the objective world through reforming and improving its subjective world and its own quality. This is the secret that our party has been able to root deeply in the Chinese land and among the billion of masses, and has tremendous vitality. Realizing the goal for the end of this century is inseparable from the Party's leadership; realizing the target for the year 2010 is inseparable from the Party's leadership; realizing the even grander goal for the middle of the next century is inseparable from the Party's leadership. To unwaveringly adhere to the Party's basic line for 100 years, we must first unwaveringly uphold the Party's leadership.

Our great Party has a heavy task to accomplish and the road ahead is long. Under the leadership of the party Central Committee with Comrade Jiang Zemin as its core, comrades of the whole party should unite more closely to strengthen party building, improve their quality, and courageously work to realize the cross-century grand blueprint.

PRC: Editorial Urges Party Members To Improve Abilities

OW3006144396 Beijing XINHUA in English
1417 GMT 30 Jun 96

[FBIS Transcribed Text] Beijing, June 30 (XINHUA) — On the eve of the 75th anniversary of the founding of the Communist Party of China (CPC), the People's Daily has called for Party members to improve their ability to implement the Party's cause, and to carry out the country's economic construction into the next century.

In an editorial entitled "The Great Cause Spanning over the Century And the Communist Party of China" to be published Monday, the national leading newspaper said the CPC has grown in strength over the past decades, from a weak entity at its birth in 1921 with only dozens of members, to a large, powerful ruling party with a current membership exceeding 57 million.

"This (the growth of the Party) constitutes a historical wonder as well as a source of pride for the Chinese nation," said the editorial. "Yet it is by no means accidental, for our Party is one that combines the scientific theory of Marxism with the concrete practice of the Chinese revolution and economic construction. It serves the people wholeheartedly while it closely

integrates itself with the masses of people and has enjoyed their full support."

"More important, our Party has trained, during the course of its thorny development process, a great number of high-quality members and leading cadres who are experienced in handling the state affairs, the Party's internal affairs and commanding the army. They are loyal to the Party and ready to give up their lives to the Party's cause."

The editorial noted that the CPC faces a special challenge before the end of the century, namely, to lead the people in a concerted effort to fulfil the economic goals for the next 15 years that have been submitted by the National People's Congress.

The situation ahead is confronted with both opportunities and challenges, and both advantages and difficulties, the editorial said. So it is a matter of urgency to further strengthen the Party building and improve the quality of the Party members, and also to increase the leadership's ability to manage affairs.

It described the quality of Party officials as "an intangible force," and said that if the Party has a contingent of leading cadres who are knowledgeable in politics and political ideology, and are well disciplined and able workers, the Party can further increase the power of its unity, its combat capability, and the creativity which it needs to mobilize and unite the people to work toward its goals.

"To a big Party like ours with a membership of more than 57 million, prestige and combat effectiveness lie mainly in the quality of its members, not in the quantity," stressed the editorial.

The goals for this century and the subsequent years cannot be attained without the Party leadership, the editorial said. "To keep the Party's basic line unchanged for another 100 years requires firmly adhering to the Party's leadership.

The editorial concluded with a call for the entire Party members to rally round the CPC Central Committee with President Jiang Zemin as the core, and to make every effort to enhance the Party's quality.

PRC: Dissident Wang Xizhe Petitions 154 NPC Members

HK0107090896 Hong Kong PING KUO JIH PAO
in Chinese 29 Jun 96 p A14

[Consolidated report]: "Wang Xizhe Sends Petition to 150 NPC Standing Committee Members, Accus-

ing Law-Enforcement Organ of Making Unauthorized Changes in Criminal Law")

[PTS Translated Text for FBIS] Prominent Guangzhou dissident Wang Xizhe recently sent a petition to more than 100 members of the Standing Committee of the National People's Congress [NPC] and asked Wei Xiaotao, younger brother of another fighter for democracy Wei Jingsheng, to hire an attorney for him to follow up his accusation against public security, procuratorial, and judicial organs of making unauthorized changes in the criminal law and laying down two illegal regulations on deprivation of political rights.

A report from the "Information Center for China's Human Rights and Democratic Movement" of Hong Kong said yesterday: It was learned from Wang Xizhe's wife Su Jiang that on 27 June, Wang Xizhe made a large number of photocopies of his petition sent earlier to the Supreme People's Court, the Supreme People's Procuratorate, the Ministry of Public Security, and the Ministry of Justice, which have been sent to 154 NPC standing committee members, calling on them to exercise the rights under Article 67 of the Constitution to examine whether the above organs contravened the criminal law by serving a "notice for supervision of criminals outside prison" on 30 August 1989. In addition, the Constitution also stipulates that the NPC Standing Committee has the obligation to examine it and report the result.

In his petition, Wang Xizhe noted: After the completion of his 14-year sentence as the principal penalty on 18 April 1995, he was given an additional penalty of deprivation of his political rights for four and a half years. However, Guangzhou public security and procuratorial organs, in accordance with the "notice," made authorized changes in the criminal law regarding deprivation of political rights in four respects: Political prisoners are deprived of the rights to elect and to be elected and the freedom of demonstration, association, assembly, and speech and are not allowed to serve as leaders of any state organ, enterprise or organization. The public security and procuratorial organs demand that Wang Xizhe regularly submit ideological reports to a local police station and that he seek approval from the public security bureau before leaving Guangzhou city. Neither item is stipulated in the criminal law, which means they are illegal.

Authorizes Wei Xiaotao To Hire Attorney To Follow Up His Case

After sending out these petitions, Wang Xizhe made contact with Wei Jingsheng's brother Wei Xiaotao and authorized him to hire an attorney to follow up this case.

Separately, Zhejiang's pro-democracy activists Wang Donghai and Chen Longde, who petitioned the NPC on the eve of "4 June" this year to release political prisoners, are still being detained by the public security bureau. Their family members received a notice yesterday from the public security bureau saying that their detention for interrogation will be prolonged for another month. The pair were picked up on 28 May and were detained in the Hangzhou Detention House No.1. In addition, another Hangzhou's dissident Fu Guoyong participating in the petition was ordered last week by public security officers to leave Hangzhou and will never be allowed to reside there.

PRC: State To Further Expand Role of Lawyers

HK2406070096 Beijing CHINA DAILY in English
24 Jun 96 p 1

[By Ma Chenguang: "Role Of Lawyers To Be Expanded"]

[PTS Transcribed Text for FBIS] The State should further reform the legal system, allowing lawyers to play a greater role in society, a senior justice official said in Beijing.

Deputy Justice Minister Zhang Geng told an ongoing conference on Saturday that justice administrators and officials across the country must strictly follow the new Lawyers Law and help the development of the legal profession.

Presently, there are over 90,000 Chinese lawyers in more than 7,200 law firms.

Zheng told the National Justice Administrators Work Conference that Chinese lawyers were playing an increasingly large role in society since their reappearance in 1980.

China abolished the system of lawyers in 1959. But in the past 16 years, the law profession has flourished, and being a lawyer has become a respected profession. The nation is now changing an attorney's title from "legal service worker of the State" to "legal service worker," implying that they are not all attached to the government.

Zhang said that with the Lawyers Law, which is to take effect next January 1, the current management system on lawyers will be reformed to protect the legitimate rights and interests of lawyers, and improve management over them.

China has recently allowed lawyers to move away from State-owned law firms, letting them set up private-type co-operative or partnership law firms, and even

individual law firms. Overseas law firms have also been permitted to set up branches on the mainland.

Lawyers have handled 2.5 million criminal and 2.7 million civil cases during the past 16 years.

Chinese lawyers have also dealt with 140,000 overseas-related cases in anti-dumping, international investment, intellectual property rights protection and trade, protection of State interests and the interests of parties involved at home and abroad.

But problems still exist in the legal trade, Zhang said.

"A small number of the lawyers are unskilled, others have bad ethics and even knowingly break the law," he said. Measures will be taken to check such practices.

Zhang noted at the conference that so far, a total of 73 overseas law firms have been allowed to open branch offices in China.

And seven Chinese law firms have been given permits to establish branch offices overseas, including the United States, Russia and Singapore, said Zhang.

Exchanges and co-operation of China's legal service industry with overseas firms are expanding steadily, Zhang said.

As part of efforts to speed the pace of reunification of the motherland, 18 lawyers in Hong Kong, Macao and Taiwan were granted law qualification certificates of the People's Republic of China after taking legal examinations.

PRC: Justice Minister Calls For Improved Proficiency in Lawyers

OW2406154596 Beijing XINHUA in English
1539 GMT 24 Jun 96

[FBIS Transcribed Text] Beijing, June 24 (XINHUA) — Chinese Justice Minister Xiao Yang called for the country's 90,000 lawyers to revise their roles in legal services and to improve their proficiency, today.

The comments came at the closing session of a national conference on the lawyers law, which takes effect January 1 next year.

Among the latest changes in China's legal system is the revised Criminal Procedural Law, also taking effect at the start of 1997, which allows lawyers greater involvement in criminal cases.

Lawyers' defense arguments will also play a bigger role in court trials, as cases will not be decided by judges and prosecutors before hand.

"That is why lawyers must improve their proficiency level for better protection of clients' rights and the correct enforcement of the law," Xiao explained.

They should no longer work as government subsidized "state legal service workers," but as independent professionals responsible for clients and the law, he pointed out.

The lawyers' law specifically stipulates lawyers' various responsibilities, he added.

A system whereby lawyers compensate clients for losses they inflict on the clients has been decided and lawyers should improve their services, the minister said, emphasizing that the major changes to the legal system have not only enlarged the business scope of lawyers, but also placed greater responsibilities on them.

They all serve as guarantees for lawyers to make full use of their abilities in the country's drive toward a country with a system of rule by law, Xiao said, adding that lawyers should value such reforms in the legal system and make a contribution to economic development and social progress.

PRC: Three Gorges Environmental Protection Program Launched

OW2306065396 Beijing XINHUA in English
0641 GMT 23 Jun 96

[FBIS Transcribed Text] Beijing, June 23 (XINHUA) — China will close down all small paper mills in the upper reaches of the Chang Jiang River before the year 2009 when the world's biggest hydropower project — the Three Gorges Project — is finished.

Meanwhile China plans to build over a dozen waste water treatment plants in the cities of Chongqing, Fuling and Wanxian in Sichuan province, which are in the reservoir area, a senior government official said today.

The moves are part of an ambitious program China has launched to protect the ecology and environment in the Three Gorges area, and minimize possible adverse effects that might result from the building of the huge hydropower dam, said Guo Shuyan, Deputy Director of the Three Gorges Project Construction Commission under the State Council, in an interview with XINHUA.

Under the massive scheme, Guo, also Vice-Minister of the State Planning Commission, said China will tighten control of pollution, establish a supervisory system on the eco-environment, build an extensive forest belt in the middle and upper reaches of the Yangtze, and develop ecological agriculture.

And protection of bio-diversity, strengthened environmental protection in the dam site, and construction of

ecology in the resettled zones, are also high on the agenda.

China plans to dam the Chang Jiang River next year and complete the hydropower project in 2009. The project, construction of which began at the end of 1994, will mean the submerging of 17,000 hectares of farmland. Meanwhile the resettlement of over one million people will also cause temporary harm to the area's extensive plantation acres.

Guo Shuyan said that the environmental protection program, being implemented side by side with construction of the Three Gorges Project, is proceeding smoothly.

He said the closure of the small paper mills, estimated at over 30, is aimed at stemming black industrial waste from being continually poured into the Chang Jiang River.

In their place China will build one or two modernized paper plants with state-of-the-art waste treatment facilities, he said.

Chongqing City, industrial metropolis of southwest China, is one of the major sources of pollution of the Chang Jiang River, which discharges about one billion tons of untreated waste water into the river each year.

Currently the city is building a waste water treatment plant with a designed daily processing capacity of 48,000 tons, in cooperation with Denmark. This will be the first plant of its kind in Chongqing city, and four more are already in the pipeline.

China is pushing ahead a technical renovation campaign to enhance processing techniques and recycling standards in factories discharging waste water, Guo said.

"Our target is that no industrial waste water be discharged before being cleaned and most of domestic sewage will be gathered for concentrated treatment, by the time the Three Gorges Project is completed," he added.

The official said that China is also adopting tough measures to effectively stop voyaging vessels from littering and polluting the Yangtze River by 1997, while stockpiles of rubbish along the banks of the river will be cleared away before the end of the century.

To reduce soil erosion, China will grow 2.86 million ha of forests on the middle and upper reaches of the mighty Yangtze within five years. The central government alone will earmark 450 million yuan towards the plan.

China plans to conduct plant protection schemes that involve rare species, plant community, ecological systems and landscapes in two State-level forest parks in Yichang City of Hubei province, where the dam of the

Three Gorges Reservoir is sited. And a landscape ecological protection zone is expected to be located in the "Lesser Three Gorges", a world-famous scenic spot.

Close attention will also be paid to protecting aquatic animals in the region, Guo Shuyan said, adding that three protection zones and a dozen breeding stations have been planned.

The zones will cater for peculiar fish species on the upper reaches of Chang Jiang River, for rare aquatic animals on the middle, and for white Chinese sturgeon infants in the river mouth.

Guo said China is enforcing tight rules aimed at preventing construction work from causing environmental pollution, while advanced facilities are being installed to treat construction waste. By the year 2000, over 90 percent of waste water from construction is expected to be treated.

China has set up a powerful watchdog panel, the Three Gorges Project Ecological and Environmental Protection Coordination Group, composed of 16 government departments and localities, to supervise and push forward the environmental protection program.

Describing the Three Gorges Project, Guo called it an "environmentally-sound, ecological project on the whole," which will help stave off floods that have threatened lives of tens of millions of people in the middle and lower reaches of the river, with hydropower energy being a non-pollutant power source beneficial for the people.

Wu Guoping, an environmentalist, told XINHUA that the quality of water in the Three Gorges Reservoir is expected to be affected "to some extent", due to discharge of waste water in the upper reaches on the Chang Jiang River.

"However the reservoir will never become a 'basin of dead water or a pool of stagnant water,'" said Wu, who once worked for eight years as Director of Chang Jiang River Water Resources Protection Bureau.

He said the Chang Jiang River's annual water volume at the dam site stands at 451 billion tons and the reservoir is designed to hold 39.3 billion tons, while waste water discharged to the river runs to 1.2 billion tons.

This means that the ratio of water and waste water in the Yangtze River there is 400 to one, far below the international standard of a polluted river of 20 to one.

"Running water is never stale," goes a Chinese saying. "The flowing Chang Jiang River will never be still either, — even when the Three Gorges Dam is completed." Wu said.

PRC: Ding Guangen Greet Meeting of TV Station Chiefs

*OW2406151996 Beijing Central Television Program
One Network in Mandarin 1100 GMT 20 Jun 96*

[Announcer-read report over video; from the "National News Hookup" program]

[FBIS Translated Text] A national meeting for directors of provincial-level television stations was held in Beijing from 18 to 20 June. Ding Guangen, member of the CPC Central Committee Political Bureau and director of the CPC Central Committee's Propaganda Department, telephoned the meeting, setting some requirements for the meeting participants. Li Tieying, member of the CPC Central Committee Political Bureau and state councillor, met with the representatives. Please watch our report.

In the telephone message, Comrade Ding Guangen said: As a whole, the work of carrying out propaganda through television has yielded outstanding results, and it is constantly making progress. Television workers should fully understand the importance of doing their work well. They should enhance their sense of responsibility and their sense of mission. With the spirit of being responsible to the party, the state, the people, and youth, they must strive to do their work well. [Video shows the meeting participants in a conference room taking notes]

This afternoon, Comrade Li Tieying, member of the CPC Central Committee Political Bureau and state councillor, visited the quarters where the meeting representatives were staying to call on all. He had a picture taken with them for remembrance. [Video shows Li Tieying shaking hands with the representatives]

During the meeting, Xu Guangchun, deputy director of the CPC Central Committee's Propaganda Department, made an important speech. Discussing the forms and tasks television propaganda, he urged all to keep to the correct direction of television propaganda, play their major role in television propaganda, and stress politics and art in reporting hot issues. He called on television stations to strive to improve the quality of programs, produce more high-quality works, and create more good programs which are outstanding in both ideology and artistic quality. [Video shows Xu Guangchun addressing the meeting]

Sun Jiazheng, minister of radio, film, and television, and Yang Weiguang, vice minister of radio, film, and television who is concurrently director of the Central Television Station, also addressed the meeting, putting forward some requirements in connection with some issues of principle on how to do a good job in television

propaganda as well as in connection with the main task of television propaganda in the days to come. [Video shows Sun Jiazheng speaking to participants]

Representatives from 39 provincial, autonomous regional, and city television stations throughout the country attended the meeting.

PRC: Approval Needed To Set Up Large Information Networks

*HK2406070996 Hong Kong SOUTH CHINA
MORNING POST (BUSINESS POST) in English
22 Jun 96 p 3*

[By Josephine Ma]

[PTS Transcribed Text for FBIS] Government departments and local authorities must now seek approval from the State Planning Commission to set up large information networks after the State Council Information Work Leading Group was formed last month.

The new working group, led by Vice-Premier Zou Jiahua, has replaced a joint conference under the State Council to regulate the mushrooming information industry.

The working group will take up a clearer role as industry supervisor and oversee major projects.

While the original joint conference was also led by Mr Zou, it was described by many officials as failing to supervise the information industry as it could not agree which department should take the leading role.

Membership of the group has been upgraded with more government departments joining on top of the eight departments in the joint conference.

Vice-president of the State Information Centre, Wu Jiabei, said the new working group would be more efficient in regulating the information industry.

"The members of the working group are ministerial level while the members of the joint conference were mostly at the level of vice-ministers."

He said bodies such as the State Planning Commission, the State Science & Technology Commission, the Ministry of Finance and the People's Bank of China (PBOC) had joined the working group.

Participation of the new members means co-ordinating the industry would also be easier, Mr Wu said.

"For example, for the banks, they are not only the largest users, but also the major financiers of information networks, it is important to have their coordination," he said.

It is understood that the new watchdog would step up the supervision of new information networks and large projects have to be approved by the State Planning Commission.

Government departments rushed to launch their own top-priority "golden" projects despite the State Council having officially approved only three "golden" projects: the Golden Bridge, the Golden Card and the Golden Gate.

"A department might need to use some kind of computer network, but it might not need to build a new one. It might just need to have access to an information highway," he said.

PRC: Administrative Punishment Law Seen Cleaning Up Government

OW2406153996 Beijing XINHUA in English
1534 GMT 24 Jun 96

[FBIS Transcribed Text] Beijing, June 24 (XINHUA) — The "Administrative Punishment Law," which goes into effect in four months, is expected to improve and clean up the government.

The Commission of Legal Affairs (CLA) under the Standing Committee of the National People's Congress (NPC), and the Bureau of Legal Affairs (BLA) under the State Council, held a meeting June 22-24 in Beijing to ensure the smooth implementation of the new law that becomes active on October 1.

"The government departments and the government workers must strictly abide by the laws when administering the state affairs," CLA director Gu Angran said at the meeting. "Most of the laws are carried out by administrative departments. To run governmental affairs by law is very important for building China into a country with a socialist legal system."

The enactment of the "Administrative Punishment Law" will enable administrative departments to issue appropriate penalties and provide for the improvement of the government through lawful means, as well as build a cleaner government and promote relations between the government and the people, Gu said.

The enactment of the law is closely connected to the local people's congresses, he said.

Yang Jingyu, deputy secretary-general of the State Council and BLA chief, said that the new law is extremely important for the advancement of the government by law.

He said the law is designed to guarantee efficient government administration and also to protect the lawful

interests of the citizens, law professionals and other organizations.

Government workers, especially officials, must fully understand the influence the new law will have on their work, and should be well-prepared for its enactment, he said.

They also should take advantage of the chance to further improve their quality of administration, he said.

Science & Technology

PRC: Experimental Fast Neutron Reactor Planned for 2000

OW0107113796 Beijing XINHUA in English
1023 GMT 1 Jul 96

[FBIS Transcribed Text] Beijing, July 1 (XINHUA) — China plans to build an experimental fast neutron reactor by the year 2000 to lay a solid technological foundation for the construction of commercial fast neutron reactors.

Sun Zhuxun, president of Chinese Academy of Nuclear Energy, said here today that preliminary designs for the facility are expected to be completed by the end of this year.

To be owned by the academy, the facility will have a designed thermal power of 65 mw and electricity generating output of 20 mw, the president said in an interview with XINHUA.

Compared with neutron reactors in ordinary nuclear power plants, fast neutron reactors are capable of raising the utility efficiency of uranium resource sixty to seventy fold.

The feasibility study on the construction of the reactor last month passed an examination by Chinese National Nuclear Corporation.

Research on the fast neutron reactor was listed in 1987 as part of China's medium-to-long-term high-technology research program.

Development of fast neutron reactors is of strategic importance for China to meet its growing energy needs in the next century, Sun said.

Experts say China's need for primary energy will reach 4.5 billion tons of standard coal by the year 2050, while the country's supplies of conventional energy, including coal, oil and natural gas, can only provide 3.5 billion tons.

They conclude that China will need 120 million to 240 million kwh of nuclear energy by 2050.

Fast neutron reactors are already operational in France, Russia, Japan, the United States and Germany, according to the president.

PRC: Ministry To Invest RMB 90 Billion for Telecommunications

OW2306140696 Beijing ZHONGGUO XINWEN SHE in English 1103 GMT 28 Jun 96

[FBIS Transcribed Text] Beijing, June 28 (CNS) — The Posts and Telecommunications Equipment Corporation under the Ministry of Posts and Telecommunications disclosed that the Ministry would invest RMB 90 billion in developing telecommunications facilities this year.

This large fixed asset investment plan includes the construction of 40,000 kilometres of fibre-optic cables, a switchboard capacity increment of 7 million lines and new telephone subscribers of 13 million (2.8 million of which are mobile phone users and 6 million wireless pager users).

According to the Ministry of Posts and Telecommunications, in the next five years, China's telecommunications sector will develop at a rapid speed. The fixed asset investment in posts and telecommunications will hit RMB 500 billion. By the end of this century, China will have boasted 174 million telephone lines and 18 million mobile phone subscribers. The domestic telephone popularity rate will reach 10 per cent.

PRC: First Pure Water Production Line Operational

OW2706061096 Beijing XINHUA in English 0334 GMT 27 Jun 96

[FBIS Transcribed Text] Changsha, June 27 (XINHUA) — China's first pure water production line has gone into operation in the capital of central China's Hunan Province.

The water, called "Changsha Water," has a purity of 99.99999 percent, and contains no contaminants. The line is expected to have an annual production capacity of 50,000 tons in the year 2000.

Nutritionists said the water is so pure that it has lost the electronic conductivity that common water has. It is considered to be standard water for use in medical research, and also is fit to drink.

Great changes have taken place to most of the food and water in China, nutritionists said. However, it is arguable that drinking this purified water will be especially beneficial to the people's health, they added.

PRC: Authorities Experiment With Power Development System

OW2606063196 Beijing XINHUA in English 0224 GMT 26 Jun 96

[FBIS Transcribed Text] Yichang, June 26 (XINHUA) — China is conducting an experiment on the Qingjiang River basin in central China's Hubei Province, aimed at reshaping the country's administrative system of investment in hydro-electric power development.

The Qingjiang is the Chang Jiang River's nearest branch to the Three Gorges in Hubei Province, and is 423 kilometres long. There are many good sites along the Qingjiang Basin for dams for hydro-electric power plants.

There are two big power stations to be started soon in the river basin, involving a total investment of 13.7 billion yuan. Construction of the two will provide opportunities for overseas investors.

China's State Council has decided that a company with limited responsibilities will be set up for the development of power plants on the river.

Investment will mainly come from profits of the Geheyan Hydro-Power Station, which is operating with a generating capacity of 1.21 million kw, according to the Wang Dingguo, manager of the Qingjiang Hydro-Power Development Co. Ltd.

The company will also try to attract two billion yuan in overseas investment for development of power plants in the basin.

PRC: Taiwan's Attitude Toward '3 Links' Viewed
HK2806040096 Hong Kong WEN WEI PO in Chinese
 23 May 96 p A2

["Special article" by Tsing Pan (6855 3961): "Taiwan Authorities Continue To Impose Restrictions on 'Three Direct Links'—Beijing Scholars Comment on Li Teng-hui's 'Inaugural Address,' Part Three"]

[PTS Translated Text for FBIS] Beijing, 22 May (WEN WEI PO)—The "three direct links" (establishment of post and telecommunications, shipping and air service, and trade) across the Taiwan Strait is conducive to cross-strait exchanges and to promoting the process of peaceful reunification. Regarding this proposal of the mainland, the Taiwan authorities have failed to make a positive response for a long time. It was not until recently that the Taiwan authorities adopted a rather practical attitude toward "direct shipping and air service in disguised form" and proposed establishing a "cross-strait special economic zone." When people were expecting three direct links, Li Teng-hui's "inaugural address" let them down because he never even mentioned a single word about the "three direct links."

Major Principles and Policies Remain Unchanged

Yin Cunyi [3009 1317 3015], deputy director of the Economic Office of the Taiwan Studies Institute of the Chinese Academy of Social Sciences, said that the Taiwan authorities are still taking the three direct links across the strait as political stakes, erecting obstacles at every point, regarding politics as the prerequisite for talks on establishing three direct links, and adopting the "stalling" policy. The following is the summary of this reporter's interview with assistant research fellow Yin Cunyi.

[Reporter] In your opinion, was there anything special in Li Teng-hui's "inaugural address," particularly in the formulation on cross-strait ties?

[Yin Cunyi] A review of the entire text of Li Teng-hui's "inaugural address" shows that there are two special points: First, besides a batch of provocative slogans, the major principles and policies remain unchanged. The only difference lies in the modification of the terms and adjustment of the mood. Second, practical internally but empty externally. He talked specifically about the island's political and economic development targets. As regards cross-strait relations, a matter of great concern across the strait, however, Mr. Li Teng-hui adopted the abstract tactic taking it easy in addition to upholding his consistent "faith." He particularly avoided mentioning the question of "three direct links," the focus of cross-strait concern at present, which formed a sharp contrast to the "cross-strait special economic and trade zone"

and "direct air and shipping service in disguised form" volubly described by the Taiwan official media recently. Naturally, such a speech cannot go into details, but it was intentionally designed in a very unusual way so as not to mention the issue throughout the speech. He is trying to play the game: You are not eager, so neither am I. The "appearance" of a statesman usually does not conform to his "innermost thinking." Not mentioning does not mean he is not eager and not mentioning directly does not mean there is no information available. We can judge the general trend of the strategy of the Taiwan authorities in handling the question of "three direct links" across the strait by reading between the lines of Mr. Li Teng-hui's speech and connecting it with the problems facing Taiwan as well as the words and deeds of the Taiwan authorities after the inaugural address.

Taiwan Not Yet Willing To Lift Restrictions on "Three Direct Links"

[Reporter] Taiwan laid down the "Program for National Reunification," which limited the extent of cross-strait exchanges to several "stages," such as the "three direct links" being limited to an "intermediate stage," which has preconditions. Under pressure of objective conditions, do you think that the Taiwan authorities will speed up the pace of "three direct links?"

[Yin] For a long time, the Taiwan authorities have regarded the lifting of restrictions on the "three direct links" as an important political stake and intended to exchange it for the mainland's renunciation of the use of force, recognition of Taiwan's status as a "reciprocal political entity," and providing Taiwan with "international survival space." Hence, the Taiwan authorities have placed the "three direct links" across the strait at the "intermediary stage in its Program for National Reunification." In Li Teng-hui's inaugural address, we cannot see any indication or possibility of the Taiwan authorities' intent to alter this principle. As a matter of fact, the remarks by the Taiwan authorities a few days ago show that they will not give up their political preconditions while discussing the question of "three direct links." After Li Teng-hui and Lian Chan were elected, Li Teng-hui asserted that the question of "three direct links" should be dealt with step by step unless the situation of peace is resolved [as published]. Lian Chan said that the "three direct links" will not work if the CPC continues to regard Taiwan as a local government. After the general elections, the "Mainland Affairs Council" held a consultation meeting which insisted that Taiwan cannot unconditionally lift the restrictions on "three direct links" at the current moment. Hence, Li Teng-hui never mentioned a single

word about the "three direct links" in his inaugural address. This fully shows that the basic position of the Taiwan authorities on the "three direct links" remains unchanged.

[Reporter] In his inaugural address, Li Teng-hui regarded economic development as an important factor for consideration. As everyone knows, the motherland on the mainland plays an essential role in Taiwan's economic development. The three direct links across the strait can avoid unnecessary waste, reduce cost, and boost economic exchanges. Will the Taiwan authorities adopt some flexible measures to realize the three direct links?

Slow Progress of "Asia-Pacific Operation Center"

Taiwan is facing a lot of problems establishing an "Asia-Pacific Operation Center," of which the most thorny and crucial one is "direct air and shipping services" to the mainland. Many transnational corporations have declared that they would have to reconsider setting up their Asia-Pacific operation headquarters in Taiwan if Taiwan cannot establish direct air and shipping services with the mainland. Realistically, since Taiwan proposed its plan to set up the "Asia-Pacific Operation Center," progress has been very slow, and it is also facing sharp competition from surrounding countries and regions. Viewed from either the political or economic angle, the Taiwan authorities cannot ignore the question of "three direct links." In his inaugural address, Li Teng-hui said that "he who sticks to convention and fails to seek a breakthrough will ultimately be eliminated." It is true that the Taiwan authorities must seek a breakthrough on the question of the "three direct links," namely, breaking through the limits of contradictions between politics and economics and seeking a flexible method which does not go against political principles and can also meet the needs of economic development. Viewed from the current situation, the "flexible" method adopted by the Taiwan authorities to deal with the "three direct links" is the establishment of the "cross-strait special trade and economic zone" they recently proposed. During his term of office, Li Teng-hui will regard this as his main strategy to deal with the "three direct links."

[Reporter] What is the intention of Taiwan's plan to establish the "cross-strait special trade and economic zone"? Will it work?

The "Cross-Strait Special Zone" Is Not Equal

[Yin] Compared with blind opposition to the "three direct links" across the strait, the proposal to establish the "cross-strait special trade and economic zone" is indeed progress. If it can be put into practice, the two sides can substantially realize partial "three direct links."

However, the biggest problem of this partial "three direct links" is: First, the partial "three direct links" may stall or hinder the comprehensive "three direct links." Second, the partial "three direct links" is not equal and mutually beneficial. According to the "cross-strait special trade and economic zone" designed by the Taiwan authorities, ships from Taiwan may anchor at any mainland port, which removes the last barrier for its "shipping transit center." But ships from the mainland can only stop "outside the border" of Taiwan and are subject to control and restrictions. This result differs entirely from the "double winner" asserted by the Taiwan authorities, of which the motive of seizing the opportune moment is very clear. Therefore, I personally doubt the feasibility of the Taiwan authorities' "flexibility" in using a "cross-strait special trade and economic zone" to deal with the "three direct links."

PRC: Critique of Li Teng-hui's 'Pragmatic Diplomacy'

HK2806040896 Hong Kong WEN WEI PO in Chinese
24 May 96 p A4

["Special article" by Staff Reporter Chin Pan (6855 3961): "Taipei Will Continue To Pursue 'Money Diplomacy' — Beijing Scholars Comment on Li Teng-hui's 'Inaugural Address,' Part Four"]

[PTS Translated Text for FBIS] The struggle against splittism and Taiwan independence since the second half of last year was triggered by the act of "concealed Taiwan independence" taken by leaders in Taiwan region. Li Teng-hui's visit to the United States and "pragmatic diplomacy" vigorously pursued by him in the international community are a blasting fuse of the struggle.

In March this year, the People's Liberation Army (PLA) conducted several large-scale military exercises in the Taiwan Strait to show that China has the determination and capability to defend its unity and territorial integrity. At that time, the Taiwan authorities suspended their "pragmatic diplomacy," stating that Li Teng-hui had no plan to visit foreign countries in the near future.

Reemphasizing "Pragmatic Diplomacy"

Since Li Teng-hui was "reelected" president, he has changed his attitude drastically and repeatedly. He said: If the United States invites me to visit the country, "please do not do so now, but they can probably do so in the future." In his "inaugural address," he stressed again pursuing "pragmatic diplomacy." Experts in Taiwan affairs here believe that at that time the Taiwan authorities were awed by the determination and capability of the PLA in "defending Taiwan with force."

But this was only a stratagem to gain a respite. In the future, the two sides will continue their fight in the international arena.

Gao Heng [7559 1854], senior research fellow at the Institute of World Economics and Politics under the Chinese Academy of Social Sciences, predicted: In the near future, it is not difficult to picture the following events — with regard to cross-strait relations, Li Teng-hui is eager to restore the channel of cross-strait consultations, but he might possibly demand an exorbitant price. As far as "diplomacy" is concerned, Li Teng-hui will change his tricks to continue to seek the recognition of the international community. He will adopt flanking tactics to vigorously promote the activities of "squeezing into" the United Nations and related organizations. He will follow a guideline of "extensive cultivation," and open the way with "money" to gain the "favor" of more countries (mainly small and medium countries).

Professor Gao Heng added: In recent years, guided by Li Teng-hui, the Taiwan authorities have been active in frequently pursuing "pragmatic diplomacy." On the eve of the "presidential election," to gain more votes Li Teng-hui said that after the "election" of the president he would visit "another place, and let the CPC see it." In his "inaugural address," Li Teng-hui rattled on about opening up Taiwan's "living space" in the international community. People cannot but ask: What kind of "living space" do the Taiwan authorities really want? What veiled targets do they intend to attain? By briefly reviewing Li Teng-hui's history of going into politics in recent years, we can find clues for answering the above-mentioned questions.

Having a Special Liking for "Taiwan Independence"

Professor Gao Heng criticized Li Teng-hui for making use of public opinion to support Taiwan independence and split the motherland after assuming power. He said: After assuming power, the difference between Li Teng-hui and his predecessors is that Li likes to play his "public opinion" card. However, he turns a deaf ear to public opinion favoring the development of cross-strait relations and the "three exchanges." He has a special liking for the opinions of Taiwan independence elements who attempt to break away from the motherland. Under the pretence of such "public opinion," Li Teng-hui has brazenly taken the road of "Taiwan independence." In particular, in his interview with Japanese reporter Totaro Shiba, he went so far as to talk about the so-called "sorrows of the Taiwan people." To satisfy the desire of the Taiwan independence elements, Li Teng-hui wields the banner of "pragmatic

diplomacy." He keeps on saying that the aim of pursuing his "pragmatic diplomacy" is for the benefit of 21 million people on Taiwan. Actually, he is pushing the Taiwan people to the verge of catastrophe.

Facts have shown that Li Teng-hui has truly made great efforts to promote his "pragmatic diplomacy," including the so-called "money diplomacy," "vacation diplomacy," and so on. We should say that Li was truly "benefited" by it. In particular, through his "Cornell trip" last year, he was very much in the limelight.

With regard to the characteristics of the "pragmatic diplomacy" of the Taiwan authorities in the future, Professor Gao Heng emphasized: Judging from various signs, rushing about to seek and open up "living space" will be the "principal line" of Li Teng-hui's "diplomacy." Its basic characteristics are: Consolidating the achievements of the previous "pragmatic diplomacy," continuing to take "economic power" as capital, continuing to "canvass worldwide votes," winning over more sympathizers, and laying a foundation for Taiwan independence.

This expert in Taiwan affairs said with certainty: It is not easy for Li Teng-hui to pursue his pragmatic diplomacy, because in Taiwan's "internal affairs," he will be facing powerful opposition parties. He cannot but comply with popular will to seek the improvement and development of cross-strait relations. He cannot but basically maintain political stability on the island. As far as Taiwan's "foreign affairs" are concerned, Li will face indifference on the part of the major countries in the world, because they cannot but pay attention to avoiding a "clash" with the mainland. In other words, diplomatic relations between major countries and the mainland is a harsh reality which Taiwan finds it hard to cope with. Even the United States has to attend to its fundamental interests. In particular, in the U.S. "election" year, everyone has to consider the consequences of losing "China."

Taiwan's "Living Space" Is on the Mainland of the Motherland

Professor Gao Heng believed: At present, even the Taiwan authorities manipulated by Li Teng-hui do not dare to pursue Taiwan independence openly. No matter how Li Teng-hui's "concealed Taiwan independence" "plans" and "operates," it is difficult to change the direction of historical development. As far as Taiwan's economy, politics, and security are concerned, its fundamental interests lie in reunification with the mainland. The Taiwan public will one day understand the following basic fact: Taiwan's "living space" can only be on the mainland, and in the bosom of the motherland.

PRC: 'International Card' Threatens Asian Stability

HK2806094896 Hong Kong WEN WEI PO in Chinese 25 May 96 p A4

["Special article" by staff reporter Chin Pan (6855 3961): "Playing International Card Will Injure Asia-Pacific Stability — Beijing Scholars Comment on Li Teng-hui's 'Inaugural Address,' Fifth and Final Part"]

[PTS Translated Text for FBIS] In his "inaugural address" Li Teng-hui continues to take to heart the several military exercises of the People's Liberation Army (PLA) in the fight against splittism and Taiwan independence, saying that the exercises aimed to influence the Taiwan region election.

Taiwan experts disdained to repudiate Li Teng-hui's words, holding that it was the usual trick of political figures to boost their own reputation. Viewing the actual effects, the fight against splittism and Taiwan independence, including the PLA large-scale exercises on the Taiwan Strait, has already played an important role.

Self-Glorifying His Increase in Prestige

Xin Qi [6580 2475], council member of the National Taiwan Studies Association, believes that first, "Taiwan independence" forces on the island have been effectively checked, with a great reduction in space for Taiwan authorities' activities in the international arena compared with two years before; their "pragmatic diplomacy" was conducted at a heavy cost, for the result was not at all pragmatic. The development of cross-strait relations must never go beyond "Taiwan independence" and "internationalization." Second, no Asian countries would offer cooperation on the Taiwan issue; the effects of the United States playing the "Taiwan card" will be greatly reduced from now on. China's military exercises have earned U.S. opposition to "Taiwan independence" and the promise not to support Taiwan "joining the UN"; at the same time, China and the United States have defined new standards for how the two countries handle the Taiwan issue in the transitional period of the Asia-Pacific setup — China resolutely adheres to the principle of peaceful reunification characterized by opposing "Taiwan independence," and the United States has explicitly made the commitment not to support "Taiwan independence." In its recent plot of "getting the United States involved," Taiwan has lost some chips, such as in negotiations with the mainland on managing Hong Kong in cooperation, the prerequisites for political talks, the Asia-Pacific Operational Center, and the convergence of the "three direct links" with China proper in a special navigation zone.

China is an important country in the Asia-Pacific region whose every move and action will inevitably arouse reactions from surrounding countries. Xin Qi supports the following concept — with respect to the PLA exercises, "the reactions of East Asian countries to the Taiwan crisis have foretold China's long-term victory, which is unfavorable to both Taiwan and the United States."

Since the revision of the Japanese-U.S. security treaty, the focus of new Asia-Pacific international relations has shifted on the Taiwan issue, leaving very little room for political maneuvering in Sino-U.S. relations. The establishment of the Asia-Pacific setup ultimately depends on how this issue is handled.

With regard to the activities of the Taiwan authorities in the international arena in recent years, Xin Qi believes that they had something to do with the reorganization of the strategic setup of the Asia-Pacific region. According to Xin Qi, Taiwan has self-glorified its prestige in the course of the reorganization of the strategic setup of the Asia-Pacific region; especially since completing the "localization" of political power, they believe that Taiwan has no more historical or political ties with China proper (such historical and political ties originally found expression in the contention for legitimate status through civil war), and they want to return to the international community in a comprehensive way. Beyond doubt, Taiwan's series of measures and actions have reinvigorated the historical factors in the Asia-Pacific setup since 1991; eventually, China and the United States must initiate bilateral and multilateral relations in various categories in Asia. Taiwan has called for a new international status in the wake of the Cold War and begun to touch upon the most sensitive issues in cross-strait and Sino-U.S. relations, such as "two Chinas," "Taiwan independence," "a split and divided rule," and "participation in the UN." Before the relationships in Asia among China, the United States, Japan, and Russia have been defined, the Taiwan authorities have shown their card to the mainland ahead of time because they have involved the United States. At the same time, social changes in Taiwan and the readjustment of its domestic and foreign policies can seemingly be regarded as indicators of this card. In the international community, Taiwan has given up the "one China" principle and policy in an overall way and encouraged various countries to follow the United States in pursuing a "two-track policy." Taiwan will not resort to openly announcing "independence" to drag Asia into a cross-strait military conflict, but it would extend international recognition of "one China, one Taiwan" to draw the whole world into conflicts over cross-strait multilateral political, military, economic, and geographic interests. Such

a Taiwan policy is very dangerous; in Asia, an institutional mechanism for readjustment and merger similar to Europe does not exist; "in this region of plural races, plural regions, and plural cultures, it has always been very difficult for a unification process similar to Europe or a security setup similar to NATO to emerge." Regardless of the geographic, lineage, historic, economic, and political relations with the mainland, it is unrealistic to rely on the United States, Japan, and ASEAN to build a security guarantee mechanism to prevent the reunification of China, for this will only strengthen the nationalism of mainland China and its approach to dealing with the issue guided by "the logic of the politics of force." Taiwan's adventurous attempt will thoroughly throw off the Asia-Pacific balance.

"Latent Taiwan Independence"

Although the orientation of cross-strait relations was in confrontation in Cold War days, it was never in the deadlock it is today. According to Xin Qi, what accounts for such a situation was that the Taiwan authorities never abandoned use of the means of "China's internal affairs" in pursuing reunification in those days. But today, the Taiwan authorities have not only dragged Taiwan's orientation toward "internationalization," but also toward "latent Taiwan independence" (in the course of localization and democratization, "Taiwan independence" forces began to organize political parties while participating in government and in discussing state affairs; they have even been in office in some counties and cities). The actual situation is that under the deterrence of an absolute "sense of provinciality characterized by popularism," [min cui hua di sheng ji yi shi 3046 47330 5532 4104 4164 4694 1942 6221], no political forces in Taiwan accept the pattern of reunification with Taiwan as a local government, while pursuing a political body on an equal footing with the mainland proper and international survival space. Such de-

mands have been set forth sometimes in the name of the "Republic of China," sometimes in the name of "Taiwan independence." Presently, Taiwan is not short of space for economic and cultural survival, and boasts some space for political survival in the world; nevertheless, what Taiwan pursues is "sovereignty" which is parallel to China; here precisely lies the root of the deadlock between Taiwan and the mainland. Viewing this from a historical, logical angle, it is very dangerous to Taiwan. In the progress of reunifying China, the mainland has already chosen a peaceful way and looks forward to the reunification of China "in form" in the "one China, two systems" conception. However, Taiwan has neglected the significance of such "reunification in form" and the possible new pattern to be set up in the transitional period through talks; in addition, by internationalizing the Taiwan issue, Taiwan can adopt a posture of abandoning at any time the set formula for China's reunification. Should such policy leading to a stalemate continue and become something that restricts China's growth, strategically checking China facing the Pacific while working in cooperation with the United States, Japan, and ASEAN during the transitional period of the Asia-Pacific setup, it will inevitably bring great potential threat and harm to the interests of the Chinese nation. If Taiwan has no sincerity to face the way of peaceful reunification, would it not mean that we shall have to consume our national vitality in repeating a historical tragedy in which "the conqueror became the king, the loser was reduced to outlaw" as occurred so often in China's 5,000-year history? To move farther from reunification means moving closer to civil war. True, "Chinese do not fight Chinese," but to those "Taiwan independence" elements who do not want to be Chinese and those foreign forces who interfere with China's reunification, the Chinese Government has never committed to giving up the use of force.

Taiwan: Hu Vows Smooth Communication Channel With U.S.

OW3006074296 (Internet) Taiwan Central News Agency WWW in English 0638 GMT 30 Jun 96

[By Philip Liu & Debbie Kuo]

[FBIS Transcribed Text] Los Angeles, June 30 (CNA) — ROC Representative in the United States Jason Hu said here Saturday [29 June] that to improve communication with Washington is one of the top priorities of his work in the United States.

Hu stressed that the ROC-US communication channel can be further smoothed. He added, however, that the importance of the US Congress and the Chinese community will not be overlooked.

In his first meeting with the Chinese media on the West Coast since he assumed his Washington post early this month, Hu said seeking increasingly reciprocal business and trade ties between Taiwan and the US is another priority of his office.

He said the US business and trade sector should be allowed larger access to take part in Taiwan's economic development, pointing out that the island's Asia-Pacific business operations center plan provides great business opportunity for the US. He will also push for the holding of more American trade fairs in Taiwan.

Seeking to enter the United Nations will remain a long-term goal for the ROC, Hu said. The move is aimed at the establishment of a UN committee to study the issue of Taiwan's representation in the world organization, he pointed out.

Asked whether Taipei felt mounting pressure from a flurry of visits by Beijing leaders to Europe and Africa in an apparent efforts to isolate Taiwan, Hu said the pressure has always been there as Beijing has never pulled its diplomatic punches on Taiwan.

Commenting on Taipei's hiring US public relations companies to burnish its international image, Hu said he personally does not oppose it as long as it is legal.

Asked about his wearing two hats as a member of the National Assembly, Hu said the jobs are "double burden and double gains". He will leave for Taipei Monday to attend the first meeting of the third National Assembly opening on July 4.

Taiwan: U.S. Remarks on Links With PRC Within 20-30 Months Denied

OW2906111396 (Internet) Taiwan Central News Agency WWW in English 0953 GMT 29 Jun 96

[By Sofia Wu]

[FBIS Transcribed Text] Taipei, June 29 (CNA) — A Presidential Office spokesman Saturday [29 June] denied that President Li Teng-hui had said he expects the two sides of the Taiwan Strait will forge direct links within 20 to 30 months.

Ting Yuan-chao, deputy director of the Presidential Office's public affairs department, was commenting on an article written by former US Defense Secretary Caspar W. Weinberger saying Li had told him that direct cross-strait links are expected to be formed within 20 to 30 months.

"I don't remember that President Li had said he expects there will be direct links between Taiwan and Mainland China within 20 to 30 months as claimed by Weinberger," said Ting, who recorded the talks between Li and Weinberger.

Weinberger visited Taipei recently in his capacity as chairman of the Forbes business magazine. While here, he met with President Li and Vice President and Premier Lien Chan.

After his return to the United States, Weinberger wrote a commentary, entitled "Taiwan — Ready for A Strong Bound Forward" which was carried in Forbes' July issue. The controversial remarks on direct cross-strait links were mentioned in the article.

Ting said Li's talks with Weinberger focused on economic issues. During the meeting, Ting said, Li underscored Taiwan's intention of strengthening commercial and cultural exchanges with the mainland. "The president further stressed that development of cross-strait relations need efforts from both sides and Taiwan has always kept its door for communications wide open," he added.

Taiwan: G-7 Urged To Adopt Human Rights Policy on Beijing

OW2706083396 (Internet) Taiwan Central News Agency WWW in English 0756 GMT 27 Jun 96

[By Han Nai-kuo]

[FBIS Transcribed Text] Washington, June 26 (CNA) — Human Rights Watch Wednesday [26 June] urged the Group of Seven [G-7] major industrial countries, now meeting in Lyons, France, to develop a long-term multilateral strategy for strengthening the rule of

law and improving human rights practices in Mainland China.

In a report titled "China: the Cost of Putting Business First," Human Rights Watch noted that Beijing's increasing tendency to use trade and diplomatic reprisals to silence criticisms of its human rights abuses underscores the urgent need for a common stance by Mainland China's major trading partners.

The latest example, the organization said, is Beijing's decision to cancel a visit to Mainland China next month by German Foreign Minister Klaus Kinkel because of a German parliamentary resolution that condemned Beijing's human rights abuses in Tibet.

The human rights monitoring group, which maintains offices in Washington, New York and Hong Kong, called for more international pressure on Mainland China through coordinated action by the G-7 countries.

Human Rights Watch pointed out that two years after President Bill Clinton delinked Mainland China's most-favored-nation trade status and its human rights record, there is little evidence that freer enterprise will bring about a freer society in Mainland China. On the contrary, there are signs that the same factors responsible for serious human rights abuses in Mainland China are also detrimental to trade.

These factors include flouting of the rule of law that has made business people and economic reformers vulnerable to arbitrary detention, and strict controls on information, including economic data. "Numerous cases have emerged over the last two years of business representatives being detained on spurious charges of fraud or embezzlement for refusing to pay Chinese agents or manufacturers for delivery of shoddy goods," said the Human Rights Watch report.

"The lesson from all this is not that freer trade produces a freer society, but that failure to protect human rights can be very bad for business," the report said.

In the opinion of Human Rights Watch, the G-7's multilateral strategy should demand that Beijing allow international humanitarian organizations to have access to political prisoners; eliminate administrative detention and build on legal reforms made by the National People's Congress in March 1996; release prisoners detained for non-violent political, religious and economic activities; and ratify key international human rights treaties.

In addition, the organization called on the G-7 countries to prevent World Bank loans to Mainland China that are not for basic human needs. It also recommended that the parliaments of the G-7 countries work to make their

governments' approval of mainland China's bid to join the World Trade Organization contingent on its respect for international human rights standards.

"China's reliability as a trading partner will be enhanced to the extent that it complies with universal human rights norms," Human Rights Watch said.

Taiwan: SEF Invites Jiang Zemin To Visit as ARATS Honorary Chairman

OW2706103396 (Internet) Taiwan Central News Agency WWW in English 0949 GMT 27 Jun 96

[By Lilian Wu]

[FBIS Transcribed Text] Taipei, June 27 (CNA) — An official of the Straits Exchange Foundation (SEF) suggested that Mainland Chinese President Jiang Zemin visit Taiwan in his capacity as honorary chairman of the Association for Relations Across the Taiwan Straits (ARATS)—the SEF's mainland counterpart.

Chiao Jen-ho, vice chairman of the cross-strait intermediary body, also said that he was "optimistic" about the long-term development of cross-strait relations.

Chiao made the remarks in responding to the Jiang's talks with Spanish Media. During the talks, Jiang called on Taipei to take concrete steps toward terminating the state of hostility and the exchange of visits of leaders on both sides of the Taiwan Strait.

Chiao said that it is clear a series of preparations are needed before the leaders across the Taiwan Strait could meet. He urged an early resumption of the high-level talks which was suspended last year after President Li Teng-hui's landmark visit to the United States.

Chiao said that both sides should fully exchange their views on various agendas to pave the way for the summit which would not be possible before thorough and comprehensive preparations.

An official of Mainland Affairs Council, which is responsible for the charting of the government's mainland policy, echoed Chiao's view, saying that if Mainland China is serious in developing cross-strait relations, it should resume cross-strait talks.

Chan Chih-hung, MAC's director of the Department of Research & Planning, said that MAC welcomes any proposal that is conducive to the reciprocal development of cross-strait ties.

Noting that the Mainland China has repeated Jiang Zemin's eight-point proposal of January 1995, and President Li has responded with a six-point statement in April, Chan said that the two sides of the Taiwan Strait could start from Li and Jiang's proposals.

Chan said that if Beijing is serious in its proposal, the best conduit of communication is the resumption of the suspended high-level talks between the SEF's Ku Chen-fu and the ARAT's Wang Daohou.

Taiwan: MAC Drawing Up Outlines for Cross-Strait Negotiations

OW2906110596 (Internet) Taiwan Central News Agency WWW in English 0806 GMT 29 Jun 96

[By Flor Wang]

[FBIS Transcribed Text] Taipei, June 29 (CNA) — Vice Mainland Affairs Council (MAC) Chairman Kao Koong-lian said Friday [28 June] that the MAC is drawing up guidelines for negotiations with Mainland China that will be referred to relevant government agencies for making policies in developing cross-strait exchanges.

Kao said the guidelines will be divided into two parts: cross-strait development consultations, and bilateral trade and commerce talks. He added that strategic guidelines and timetables for each part will be worked out within two weeks.

Currently, two other MAC vice chairmen, Shu Huei-you and Lin Chung-pin, are assessing cross-strait development consultations, while government agencies in charge of mail delivery, electric power, and service industries are required to make an evaluation of the major related issues, Kao said.

Meanwhile, former US President George Bush said recently in Hong Kong that cross-strait problems will eventually be resolved through negotiations, as President Li Teng-hui's May 20 inaugural speech has had a positive impact on bilateral relations.

Bush, who is currently visiting the British colony, made the remarks at a seminar sponsored by a local trade organization.

As tensions across the Taiwan Strait have receded and President Lee has expressed a willingness to meet with mainland Chinese President Jiang Zemin, Bush said he strongly believes that cross-strait rifts will be resolved peacefully in the long run.

Bush was also optimistic about the future of Hong Kong, saying that Beijing will live up to its promises to keep the territory one of the most important trade and commerce hubs in the Asia-Pacific region.

Taiwan: SEF Head Rebuffs Mainland Calls for Talks, Urges Actions

OW3006014396 Taipei Voice of Free China in English 0200 GMT 28 Jun 96

[FBIS Transcribed Text] Officials on Taiwan expressed frustration on 26 June over Mainland China's repeated calls for bilateral talks, saying the time has come to take actions. The head of the state-funded Straits Exchange Foundation [SEF], Ku Chen-fu, said that Mainland China should stop talking about the need for talks, that it is useless to talk about talks. He added that the SEF was responding to a fresh call for talks by a key Mainland Chinese interlocutor, that is, Tang Shubei, a spokesperson who urged Taipei to set a time for resuming talks which were broken up by Beijing in June 1995.

The Chinese spokesman said on 25 June that Taipei and Beijing need to hold consultations on ending hostile conditions between the sides or on political issues concerning both sides. The head of the Beijing semi-official Association for Relations Across the Taiwan Strait [ARATS] said he hoped the Taiwan side will not miss the chance and will set a time as soon as possible for talks. The two unofficial bodies of Taiwan and Mainland China are the main channels for contacts between the longtime political rivals in the absence of official ties.

Taiwan said the political issues could be discussed by rescheduling a long-delayed meeting between the two unofficial entities. An earlier meeting was set for July 1995, but postponed indefinitely after President Li made a private visit to the United States a month earlier. A furious Beijing said the visit proved President Li wanted Taipei independence rather than reunification with the mainland. Beijing has repeatedly demanded that Taipei offer concrete deeds, not words, to prove it does not advocate independence. The ROC [Republic of China] Foreign Minister on 25 June rebuffed the demand, saying that Taipei's bid to rejoin the United Nations was not intended to promote Taiwan independence.

Taiwan: Sung Denies Role as 'Special Embassy' on Hong Kong Visit

OW2606135396 (Internet) Taiwan Central News Agency WWW in English 1324 GMT 26 Jun 96

[By Lilian Wu]

[FBIS Transcribed Text] Taipei, June 26 (CNA) — Taiwan Provincial Governor Sung Chu-yu said Wednesday [26 June] that his Hong Kong visit has not yet been finalized, but that if he does go, he will not contact officials from Mainland China there.

Sung made the remarks when he was answering questions in the Taiwan Provincial Assembly.

Sung said Tuesday that both he and Taiwan Provincial Assembly Speaker Liu Ping-wei are planning to visit Hong Kong in order to learn from the British colony's experience in free trade, harbor management, land reclamation work, and subway transportation. He said Taiwan can use the knowhow as a reference for developing Taichung Harbor into an Asia-Pacific transshipment center.

Provincial Assembly members Lin Tsung-nai, Chiu Mao-nan, and Chang Hsueh-shun asked Sung if he planned to visit Hong Kong as the special emissary of President Li Teng-hui.

Sung denied that his trip is aimed at sounding out the possibility of high-level contacts between the two sides of the Taiwan Strait.

Some provincial assembly members expressed concern that Sung might do something to harm the interests of the Taiwan people during his Hong Kong trip, but Sung assured the assembly that because of his love for the island, he would never do such a thing.

He said if he wanted to make contact with Mainland Chinese officials, he would go directly to Mainland China, not covertly to Hong Kong.

He stressed that if it becomes necessary or is in the interests of the Taiwan people, he would not hesitate to go to Mainland China, saying that he has always tried to uphold freedom and democracy for the 21 million people in Taiwan.

Meanwhile, a Mainland Chinese media official in Hong Kong said Wednesday that Mainland China welcomes Taiwan's hosting of private activities in Hong Kong, but opposes any activities of an official nature.

Zhang Junsheng, deputy director of XINHUA NEWS AGENCY's Hong Kong branch, made the remarks when he was asked about Sung's planned trip to the British colony, which is scheduled to return to mainland Chinese rule next year.

Zhang said that the Hong Kong government knows Mainland China's stance on Taiwan affairs very well.

Taiwan: New Representative in Japan Hosts Reception in Tokyo

OW2706133196 (Internet) Taiwan Central News Agency WWW in English 0756 GMT 27 Jun 96

[By Victor Lai and Danielle Yang]

[FBIS Transcribed Text] Tokyo, June 26 (CNA) — Republic of China (ROC) representative in Japan Chuang

Ming-yao hosted a reception in Tokyo on Wednesday [28 June] with nearly 2,000 guests attending.

More than 100 Japanese officials, including former Japanese premier Tosiki Kaifu, and a group of 13 ROC lawmakers coming all the way from Taiwan attended the gala.

Chuang told his guests that he will further explore ROC-Japan relations based on the spirits of equality and mutual benefit during his term of office.

He said the ROC has the strength and willingness to contribute to international community, adding that the dignity and rights of the 21 million residents on Taiwan should be protected.

Chuang said he hoped Japan could understand Taiwan and upgrade its substantial ties with the ROC to work hand-in-hand for the prosperity of Asia in the 21st century.

Chuang, formally commander-in-chief of the ROC Navy, succeeded Lin Chin-ching. Chuang arrived in Tokyo on June 4 to assume office.

Taiwan: Foreign Trade Board Hosts Russian Officials 27 Jun

OW2706131396 (Internet) Taiwan Central News Agency WWW in English 1106 GMT 27 Jun 96

[By Debbie Kuo]

[FBIS Transcribed Text] Taipei, June 27 (CNA) — After several years of painstaking economic reforms, Russia's slump in gross domestic product and industrial output has eased considerably in recent months, a Russian official said here Thursday [27 June].

G.N. Zottev, an external relations director of the Russian Federal Ministry of Economy, said annual inflation in Russia is now controlled at around 131 percent, the lowest since the economic reforms began.

As Moscow has striven to secure steady tax revenues, arrest inflation, and accelerate aid to small and medium-sized enterprises, Russia's economy is improving faster than expected, Zottev said. The country is expected to attract US\$3-5 billion in foreign capital this year for various investments, he added.

Zottev, accompanied by M.I. Krianin, a consultant to the ministry's External Relations Department, is in Taipei on a business and trade promotion trip at the invitation of the ROC Board of Foreign Trade (BOFT).

Zottev and Krianin are the highest-ranking officials from the Russian federal government to visit Taiwan in recent years.

The two officials met with more than 100 local business and industrial representatives Thursday, introducing Russia's investment climate, economic situation, and regulations governing foreign economic activity.

Krianin suggested that Taiwan businesses explore Russian markets of medium and high-end products and actively take part in trade shows in Russia to tap the burgeoning market.

BOFT officials, meanwhile, suggested that Taiwan trading companies promote computer peripherals, consumer electronics, stationery, cosmetics, and food exports to Russia.

Two-way trade between Taiwan and Russia reached US\$1.81 billion last year, up 43 percent from the previous year, with Taiwan suffering a deficit of US\$1.45 billion.

Taiwan: Chilean Senator Appeals for Diplomatic Ties

OW2706111496 (Internet) Taiwan Central News Agency WWW in English 1022 GMT 27 Jun 96

[By Sheng Li-kuo & Elizabeth Hsu]

[FBIS Transcribed Text] Asuncion, June 26 (CNA) — Chilean Senator Julio Lagos has called on his government to forge diplomatic relationship with the Republic of China.

Lagos said in an article published recently in Chile's capital newspaper "TERCERA" that Taiwan was his country's second largest trade partner after only Japan in Asia, with two-way trade hitting US\$1.2 billion in 1995. Chile enjoyed US\$740 million in trade surplus with Taiwan.

He stressed that Taiwan has made great progress in scientific development, and he believed that Chile would benefit from Taiwan's investment.

He expressed the regret that Taiwan businessmen wishing to visit Chile could not obtain their visas in Taipei. Now is the time for Chile to open its "diplomatic door" to Taiwan, he added.

Lagos, who took part in President Li Teng-hui's May 20 inauguration, delivered a speech to the Chilean parliament on June 20 asking the government to improve relations with the ROC.

Taiwan: MOF Announces Tariffs on 1,200 Import Items Lowered

OW2706143796 (Internet) Taiwan Central News Agency WWW in English 1413 GMT 27 Jun 96

[By Flor Wang]

[FBIS Transcribed Text] Taipei, June 27 (CNA) — The Ministry of Finance (MOF) announced on Thursday (27 June) that it will finish drafting a tariff reduction bill by August under which customs duties on more than 100 agricultural and industrial products will be lowered below the 5 percent level before the end of 2000.

As part of the government's liberalization policy, the ministry said it plans to slash import duties on over 1,200 items, or half the total, to less than 5 percent by the turn of the century, marking the largest reduction of tariffs in years.

The decision was made during an inter-ministry meeting attended by officials of the Council of Agriculture, the Council for Economic Planning and Development, the Atomic Energy Council, and the Industrial Development Bureau.

Wu Chia-sheng, director of the MOF's Department of Customs Administration, said the planned tariff reductions are aimed at boosting the local economy and meeting the action guidelines reached at an Asia-Pacific Economic Cooperation (APEC) forum meeting in Osaka last year. All APEC member nations, including Taiwan, are required to present their tariff reduction lists at a ministry-level meeting by year end, he noted.

Taiwan: Hsu Hsin-liang Takes Office as DPP Chairman 30 Jun

OW3006110296 (Internet) Taiwan Central News Agency WWW in English 1013 GMT 30 Jun 96

[By Maubo Chang]

[FBIS Transcribed Text] Taipei, June 30 (CNA) — Hsu Hsin-liang took oath of office here on Sunday (30 June) to become the seventh chairman of the Democratic Progress Party (DPP), vowing to lead the largest opposition party to win next year's local elections.

Hsu, who was the DPP chairman two years ago and was elected on June 16, said that in the wake of the island's first fully democratic presidential election, the rival facing the DPP is no longer "an illegal alien regime" — a reference to the ruling Kuomintang — but a popular-elected president and his ruling party with the mandate of the people.

Therefore, the new chairman asserted, the DPP has to adapt to the new political reality by competing with

its arch political rival, Kuomintang, for the support of Taiwan inhabitants.

He vowed to boost the sagging morale of the DPP after it suffered a humiliating defeat in the March 23 presidential election.

He also promised to patch up the rifts among the different fractions within the party, and field "dream candidates" to win next year's local elections.

Also sworn-in Sunday were the party's 31 central executive committee members, and 11 central advisory committee members.

Taiwan: MOFA Spokesman Welcomes Exchange of Offices With DPRK

OW3006005696 Taipei CHUNG-YANG JIH-PAO
in Chinese 25 Jun 96 p 4

[FBIS Translated Text] Yesterday, Ministry of Foreign Affairs (MOFA) Spokesman Leng Jo-shui said the ministry respects the remarks, made by Yi Song-nok, chairman of the Foreign Economic Relations Committee [tui wai ching chi wei yuan hui 1417 1120 4842 3444 1201 0765 2585] under the DPRK's Political Council [cheng wu yuan 2398 0523 7108], that he is visiting Taiwan in his capacity as chairman of a nongovernmental organization. Leng Jo-shui emphasized that on the basis of mutual benefit, we certainly welcome exchange of representative offices with the DPRK, so long as the DPRK government fully authorizes its representatives.

Leng Jo-shui pointed out that the MOFA respects Yi Song-nok's remarks that he is visiting Taiwan in his capacity as chairman of the DPRK International Trade Promotion Association [pei han kuo chi mao yi cu chin hui 0554 7281 0948 7139 6319 2496 0191 6651 2585], a nongovernmental organization, adding Li will pay a courtesy call at MOFA at 0900 on 25 June and hold talks with Administrative Vice Minister Chen Hsi-fan. Leng Jo-shui emphasized that their meeting will not be too long and will have no special purpose. Yi Song-nok and his party will leave Taiwan by plane on the afternoon of 25 June after the meeting.

Referring to rumors that our country and the DPRK will exchange representative offices, Leng Jo-shui said that, according to the principle of reciprocity, we certainly welcome the exchange of representative offices with the DPRK, so long as the DPRK Government fully authorized its representatives. However, the DPRK Government has not yet authorized or sent any representatives to Taiwan to discuss relevant issues.

Leng Jo-shui also denied media speculation that we will offer aid to the famine-stricken DPRK, saying MOFA never handled that matter. However, MOFA officials

disclosed that the ministry did consider helping the DPRK, but, for various reasons, it has not yet taken any action.

Taiwan: Fifth Guided-Missile Frigate Christened 2 Jul

OW3006082396 (Internet) Taiwan Central News
Agency WWW in English 0637 GMT 30 Jun 96

[Benjamin Yeh]

[FBIS Transcribed Text] Kaohsiung, June 30 (CNA) — The fifth guided-missile frigate the ROC Navy ordered from China Shipbuilding Corp. (CSBC) will be christened at CSBC's Kaohsiung shipyard on Tuesday [2 July], a naval official said over the weekend.

"The Tsu Yi is undergoing a series of final trials and tests," the official said, adding that the installation of the weaponry and radar systems has been completed.

The ceremony, the official said, will be presided over by Navy Commander-in-Chief Admiral Ku Chung-lien.

Construction of the Tsu Yi began in August, 1993, and it was launched in July 1995.

The Cheng Kung-class vessel is named after Tang Dynasty general Kuo Tsu-yi. Although it is modeled after the US Perry-class frigate, its combat capability surpasses that of the original US design, sources said.

In addition to the weapons systems installed on the Perry-class frigates, the Tsu Yi will be armed with torpedoes, two anti-submarine helicopters, and locally developed Hsiungfeng anti-ship missiles.

Under the Navy's "Kwanghua No. 1" fleet modernization plan, the Navy contracted CSBC in 1979 to build seven Cheng Kung-class frigates, whose delivery will be completed before the end of 1998. Four frigates, the Cheng Kung, Cheng Ho, Chi Kuang and Yueh Fei, have been commissioned.

The Navy originally planned to add a more sophisticated Ticonderoga-class frigate to the naval fleet but was forced to scrap the plan due to budgetary restraints.

Taiwan: Premier Asks Government To Address Unemployment Problem

OW2706111596 (Internet) Taiwan Central News
Agency WWW in English 0916 GMT 27 Jun 96

[By Lilian Wu]

[FBIS Transcribed Text] Taipei, June 27 (CNA) — Premier Lien Chan asked the government agencies on Thursday [27 June] to study ways to tackle the unemployment problem and create more job opportunities.

According to statistics released by the Directorate General of Budget, Accounting, and Statistics (DGBAS) recently, a total of 218,000 people were out of work in May, the unemployment rate surged to a nine-year high of 2.35 percent.

Lien said at a cabinet meeting that the government pays close attention to the rising jobless rate, adding that though 66,000 people were laid off due to the closure of shops or scaling down of work, most of them lost their jobs because they lack the skills to meet the needs of upgraded industries.

He asked related government agencies to work to improve domestic investment environment to increase investment incentives and create more jobs. The Council of Labor (COA) should also study feasible ways to improve the problem, he added.

He said the government will use the stabilization fund to help train workers for new skills. The government will

also provide sufficient job information to the public to help them find new jobs, he added.

Noting the difficulties of college graduates in finding jobs in recent years, he said that college graduates are invaluable human resources of the nation, and ask related government agencies to study the problem and find a resolution.

Lien also expressed the hope that the business community work with the colleges and universities in offering vocational training so that college graduate could integrate into the work force smoothly.

DGBAS predicted that the jobless rate may jump to another high in June and July when a large number of freshly graduates students enter into the job market.

Hong Kong

Hong Kong: Governor Admits Not Reading Pre-1992 Diplomatic Exchanges

OW2906064296 Hong Kong HONGKONG
STANDARD in English 29 Jun 96 p 4

[Article by Philip Ho]

[FBIS Transcribed Text] Governor Chris Patten admitted yesterday he had not read the diplomatic exchanges between the foreign ministers of Britain and China before introducing his electoral reform in 1992.

He was also evasive in responding to whether he had been informed of the details of the seven exchanges.

In an interview with Wharf Cable yesterday, Mr Patten admitted for the first time to the people of Hong Kong that it was his advisers who had actually read the exchanges.

"They were part of the years of correspondence between Britain and China which all my advisers who worked with me before I came to Hong Kong were totally familiar with.

"I certainly was aware of the overall arguments that have been going on between Britain and China. I haven't read every single document.

"Because there were no agreements whatsoever in those letters other than what I said: the agreement about the number of directly elected seats," the Governor said.

A government spokesman, however, told The HongKong Standard that Mr Patten had told member of Parliament this at a hearing in the middle of 1994.

"The Governor told the Foreign Affairs Committee that his officials and advisers had read the seven exchanges. He never put his name on it," said the spokesman.

It had been widely circulated within British political circles recently that the Governor was not aware of the existence of the seven letters before he drafted his electoral reform blueprint.

The British Foreign Office was said to have been hiding this important information from Mr Patten.

The seven letters between the then British Foreign Minister Douglas Hurd and his Chinese counterpart Qian Qichen were exchanged in January and February 1990 when the final draft of the Basic Law was being determined by China.

A key point comes in a letter from Mr Hurd to Mr Qian on 12 February 1990 which reads: "I agree in principle with the arrangements you propose for an Electoral Committee which could be established in 1995. The

precise details of how this should be done can be discussed between our two sides in due course.

"Meanwhile, I hope that five principles which you have agreed can be reflected in the Basic Law."

The Chinese side viewed the remarks of Mr Hurd as an agreement between the two sovereigns over the electoral agreement for 1995.

After the introduction of the political reform package by Chris Patten in his maiden policy address on 7 October 1992, China revealed to the public the existence of the seven letters and criticised Mr Patten of violating the Basic Law as well as the accord between the two foreign ministers.

Mr Patten, however, said all exchanges had been revealed to the Executive Council and no secret deal was made between Britain and China behind the backs of the people of Hong Kong.

Hong Kong: Patten Criticized for Inciting Demonstrations Next Year

HK0107085496 Hong Kong WEN WEI PO in Chinese
1 Jul 96 p c12

[Report: "Zhang Junsheng Criticizes Chris Patten for Inciting Demonstrations Next Year"]

[PTS Translated Text for FBIS] Zhang Junsheng, deputy director of the Hong Kong Branch of the XINHUA News Agency, made a response to Chris Patten's remarks made at the "Letter to Hong Kong" on demonstrations to be staged by some people on 1 July next year. Zhang pointed out: Chris Patten will leave Hong Kong in one year. He should have not uttered such insignificant remarks. On the contrary, he should cooperate with the Chinese side to handle well matters related to Hong Kong's transitional period. He particularly criticized Chris Patten for disregarding Chinese compatriots' state of mind of their longing for the conversion of Hong Kong, and for calling on some people to stage demonstration this time next year.

Yesterday afternoon, Zhang Junsheng expressed the remarks when answering reporters' questions at a carnival held by various circles in west Kowloon to popularize the Basic Law. He said: As you know, over the past few days, enthusiastic activities have been carried out by various circles in Hong Kong to count down the time to the conversion of Hong Kong. This shows that our residents are excited and proud of the conversion of the territory. However, when 1 July 1997 comes in one year, Chris Patten, to our surprise, said: "At this time next year, some people might hold demonstrations." It seems that he is calling on them to do so. Zhang Junsheng stressed: "I think that some people might answer

to Patten's call by making trouble at this time next year. If they truly take such action, not only Hong Kong compatriots, but also people throughout China as well as Chinese of the whole world will not favor them."

Yesterday evening, when Zhang Junsheng was taking part in another activity, he was again asked whether some people would hold demonstrations to express their dissatisfaction over the democratic process. He said: The question of 1 July is not a question of whether one is satisfied with the democratic process or not. This is a question of how to greet the conversion. He pointed out: As a Chinese who has national and patriotic feelings, it should be a joyous and encouraging thing for him to witness the ending of 150- years of foreign colonialist rule in Hong Kong, and the return of the territory to the bosom of the motherland.

He continued: With regard to the issue of democracy in Hong Kong, this has been explicitly stipulated in the Basic Law. It is possible to genuinely pursue a democratic system in Hong Kong after 1997 only by acting according to the Basic Law. Now since foreigners are exercising their colonial rule in Hong Kong, there is no democracy to speak of. Only a democratic system stipulated in the Basic Law is a genuine democratic system. Furthermore, it will develop continuously in an orderly way and step by step.

Hong Kong: HKSAR Selection Panel Hold 4th Session 27-28 Jun

OW2806161896 Beijing XINHUA in English
1609 GMT 28 Jun 96

[FBIS Transcribed Text] Beijing, June 28 (XINHUA) — The fourth session of the Selection Committee Panel of the Preparatory Committee of the Hong Kong Special Administrative Region [HKSAR] was held June 27 and 28 in Beijing.

Formation of the Selection Committee was discussed, based on the plan for the formation of the Selection Committee and the opinions sought from people in various social groups in Hong Kong.

It was agreed that Selection Committee members must meet the qualifications and conditions of permanent Hong Kong residents as set forth in Article 24 of the Basic Law, and support the "one country, two systems" principle and the Basic Law.

Committee members must also be willing to fulfill their duties as set forth by the National People's Congress and the Preparatory Committee, recommending candidates for the first Chief Executive and electing the Provisional Legislative Council.

Permanent Hong Kong identity card holders and foreign nationals who have no permanent identity card, but accord with the qualifications and conditions of the permanent resident as set forth in Article 24 of the Basic Law are both included in the first item of qualification.

Proposals for choosing Selection Committee members from the industrial, commercial and financial sectors, the professions, grass-roots laborers, religious, and other sectors were also raised at the meeting.

According to one proposal, those who wish to join the Selection Committee must register in the community first, then be nominated to the Preparatory Committee, then opinions of all members, and a list of candidates will be put forth at the meeting of chairman and vice- chairmen. Finally the Selection Committee members will be elected through secret ballot by all the Preparatory Committee members.

Members also expressed their welcome to the Hong Kong civil servants' participation into the Selection Committee.

Hong Kong: Qian Qichen Interviewed on Hong Kong After 1997

OW2906104796 Hong Kong WEN WEI PO
in Chinese 29 Jun 96 p 1

[Report by WEN WEI PO reporter Han Hua [7281 2901]: "Qian Qichen Hails Preparatory Committee's Achievements; Says Maintaining Hong Kong's Prosperity Benefits the World; Calls for Increased Cooperation Between China and Britain and More Concrete Work To Satisfactorily Resolve the Hong Kong Issue"]

[FBIS Translated Text] Beijing, 28 Jun (WEN WEI PO) — As Hong Kong enters the one-year countdown for the handover, Qian Qichen, State Council vice premier and foreign minister, looked at Hong Kong at this juncture and at Hong Kong's prospects of implementing "one country, two systems," "government by the Hong Kong people themselves," and "high-degree autonomy," in an exclusive interview with this reporter prior to his departure for six European and Asian countries as part of President Jiang Zemin's entourage. The text of Qian Qichen's interview is as follows:

[Reporter] To ensure a smooth handover of political power and Hong Kong's peaceful transition in 1997 and to ensure Hong Kong's long-term prosperity and stability after the handover, could you give your view of Hong Kong as it enters the one-year countdown and discuss Hong Kong's prospects for implementing "one country, two systems," "government by the Hong Kong people themselves," and "high-degree autonomy"?

[Qian] Since its establishment at the beginning of this year, the Hong Kong Special Administrative Region [HKSAR] Preparatory Committee has done a tremendous amount of work and scored considerable achievements. It will accomplish such important tasks as the formation of a selection committee, the selection of a succeeding chief executive, and the establishment of an interim legislative council before the end of this year. I believe the Preparatory Committee will definitely be able to live up to the wishes of the general public and accomplish the historical mission of establishing the HKSAR.

For the past year and more, through joint efforts, China and Britain have cooperated more closely on the question of Hong Kong and have achieved progress on a number of specific issues. As long as China and Britain strictly fulfill their respective commitments made in the Sino-British Joint Statement, proceed from the overall interests of Sino-British relations and the Hong Kong people, increase cooperation, and do more concrete work, the two countries will be able to resolve the Hong Kong issue satisfactorily, an issue left from history.

After the Chinese Government resumes the exercise of sovereignty over Hong Kong, the HKSAR government, in line with the basic principles of "one country, two systems," "government by the Hong Kong people themselves," and "high-degree autonomy," will govern in strict accordance with the various provisions of the Basic Law. In past years, relying on their wisdom and diligent work, Hong Kong compatriots have played a decisive role in creating Hong Kong's prosperity. After becoming the masters of the HKSAR, they will be able to bring their creativity further into play. I deeply believe that with the support and efforts of the 1.2 billion Chinese people, including Hong Kong compatriots themselves, Hong Kong will be able to maintain long-term prosperity and stability. Hong Kong's prospects will definitely be brighter.

[Reporter] Could you please describe for us the role to be played by Hong Kong in the Asia-Pacific region and the world after 1997 as China's special administrative region?

[Qian] After resuming the exercise of sovereignty over Hong Kong, the Chinese Government, guided by Comrade Deng Xiaoping's great concept of "one country and two systems," will maintain Hong Kong's long-term prosperity and stability. This will have a positive impact on political and economic development in the Asia-Pacific region and even the world.

First, Hong Kong's smooth transition and return will provide enlightenment and experience for resolving contemporary international disputes and set an example for

peaceful resolving questions left from history between countries. Second, Hong Kong will retain its position as a financial, trade, navigation, and information center, and this will further promote cooperation and exchange between Eastern and Western economies. Third, economic ties between Hong Kong and China's interior are close and inseparable. Hong Kong's prosperity and stability cannot continue without the support and development of the interior; and reform, opening up, and economic development in China's interior require that Hong Kong maintain its prosperity and stability. Hong Kong's role as a link and bridge between China's interior and the world will further strengthen.

Hong Kong: Rival Rallies Held To Mark Hong Kong 'Countdown'

*OW3006132696 Hong Kong AFP in English
Jun GMT 30 Jun 96*

[By Paul Harrington]

[FBIS Transcribed Text] Hong Kong, June 30 (AFP) — Supporters and opponents of Communist China staged rival rallies Sunday [30 June] to mark the 365 day countdown for Hong Kong's return to Chinese rule.

Democrats who fear the July 1, 1997 handover by Britain, staged a March on China's representative office in the territory and held a candlelit vigil outside the legislative council that China has vowed to scrap.

Amidst growing signs of apathy over the future, Governor Chris Patten said it was up to the six million population to stand up for Hong Kong's way of life.

And pro-China groups held "celebratory rallies" to fight back against what they called negative publicity about the handover.

On midnight June 30 next year, the Union Jack will come down to be replaced by an emblem for a new Special Administrative Region of China. The British army will be replaced by China's People's Liberation Army.

China promised that Hong Kong can keep its capitalist system for 50 years under a "one country two systems" agreement made with Britain.

But many groups have expressed doubts — strengthened by recent confusing statements by Beijing officials — about China's intentions.

More than 400 people attended the legislative council rally to hear leaders of the Democratic Party, the biggest party in the chamber, warn about China's tactics.

Party chairman Martin Lee said: "We in Hong Kong have been promised a high degree of autonomy after

1997. What we are seeing is China getting more and more involved in Hong Kong affairs. What we are seeing is a high degree of control.

Around 200 people Marched earlier from the legislative council building to the offices of the XINHUA NEWS AGENCY, China's de facto embassy.

Protesters waved banners denouncing China's plan to scrap the legislature. They chanted slogans denouncing the "dirty" provisional legislature planned to replace it. Many police stood by but were not needed.

The main pro-China rally was in Victoria Park, dominated by a statue of Queen Victoria, who reigned when Britain first took control 155 years ago.

"1997 is an opportunity, not a problem," Beijing adviser and former legislator Rita Fan said at the event.

"We are optimistic about the future. Hong Kong's future is safeguarded by the Basic Law," Fan added, referring to the mini-constitution drawn up for the future government.

Rally organiser K.L. Lam said: "Our message is positive. Hong Kong is finally returning to the motherland and that is something to celebrate."

Only about 1,000 people wandered around the game stalls. Most avoided seats near the stage where speakers, kung fu teams and dragon dancers spread the rally's message.

But hundreds of thousands of people attended celebrations across the border to mark the one year countdown, XINHUA NEWS AGENCY reported.

The official agency said exhibitions, concerts and fairs were held in the southern city of Shenzhen, bordering the territory, as part of "Hong Kong Basic Law Promotion Day." The theme, it said, was "joining hands in marching toward 1997 and creating a brilliant future."

In his weekly radio address, the British governor said it was no good just counting the days until China resumes sovereignty.

"We can't count our way to a better future. We have to work for that. Argue for that. Stand up for that," said the governor.

Patten has been shunned by Chinese officials since he pushed through democratic reforms that culminated in the direct elections to the legislative council last September.

"The only reason we haven't got a through train for our legislature is that China wanted arrangements which would keep some people off the train altogether,

regardless of the fact that the people of Hong Kong wanted to vote for them," said Patten.

"And China of course has been supported in that by some local people who within recent memory were pressing Britain for a faster pace of democratisation," he added.

New warnings about what to expect under China were given by the Hong Kong Journalists Association (HKJA), which with the London-based rights group, Article 19, produced a report attacking China's plans for the media. It called on Britain to ensure promises on press and other freedoms were kept.

China has a "blacklist" of "unfriendly" journalists, the report said, and is ready to "isolate and punish those in the media deemed enemies."

The result, it added, is a "climate of fear among journalists which is "an inducement to self censorship."

Hong Kong: Commentator on Hong Kong Handover

OW3006144996 Beijing XINHUA Domestic Service
in Chinese 0947 GMT 28 Jun 96

[Commentary by unattributed commentator: "Hong Kong's Return Is a Foregone Conclusion, It Is Time To Open Up a Glorious Future"]

[FBIS Translated Text] Beijing, 28 Jun (XINHUA) — The first day of July this year is the 75th founding anniversary of the CPC [Party Central Committee] is also a one-year countdown for Hong Kong's handover to the motherland. At this moment, we cannot help thinking of the humiliation and suffering the Chinese people endured more than 100 years ago, and we cannot help thinking of the arduous process the Chinese Government has gone through in deciding to resume its exercise of sovereignty over Hong Kong. At the same time, we are also encouraged by the bright prospects of this "oriental pearl."

In the mid-19th century, Britain, aiming to export a large amount of opium to China, waged the first opium war in 1840 and the second opium war in 1856, during which it burned the Yuanming Yuan. It forced the Qing Government to sign the Nanjing Treaty and the Beijing Treaty, carving out the Hong Kong island and the southern part of the Kowloon peninsula. In 1898, during the upsurge of big powers carving out China, Britain once again forced the Qing Government to sign the Special Treaty on Designating Hong Kong's Boundary, which forcibly leased out a large expanse of land on the northern Kowloon peninsula and some 200 islands adjacent to it, with a lease period of 99 years. The

occupation of Hong Kong, the ugliest chapter in modern world history, landed China in a semi-feudal and semi-colonial society.

The CPC-led New China never forgets eliminating this humiliation. In 1972, not long after China resumed its legitimate seat in the United Nations, it stated to the United Nations that it did not recognize the three unequal treaties forced on China by Britain, and solemnly proclaimed Chinese sovereignty over Hong Kong. In November of the same year, the United Nations supported China's just stand by an overwhelming majority. China and Britain started talks on the Hong Kong issue in 1982 and signed the Sino-British Joint Declaration in December 1984, formally proclaiming that China will resume its exercise of sovereignty over Hong Kong on 1 July 1997. This 100-year-long humiliation will be removed and a new chapter will be added to the motherland's reunification. History has proved that the Chinese communists, who persist in this lofty national aspiration, are the most enthusiastic patriots of our nation, whose farsighted leading collective is nationally heroic and worthy of the name.

In resolving the Hong Kong issue, the CPC and the Chinese Government employ firm principles and at the same time respect history and realities and take account of the interests in various circles. The National People's Congress ratified the Basic Law of the Hong Kong Special Administrative Region [SAR] of the People's Republic of China after extensively soliciting Hong Kong people's opinions, thus establishing in a legal form the Chinese Government's policy and principle on Hong Kong's hand-over proposed in the Sino-British Joint Declaration. The nucleus of this policy and principle is as follows: After China resumes its exercise of sovereignty over Hong Kong on 1 July 1997, it will practice a "one country, two systems" formula and maintain Hong Kong's current capitalist system and life style for 50 years; after Hong Kong's handover, it will exercise the policy of "Hong Kong people administering Hong Kong" and a "high degree of autonomy"; it will preserve Hong Kong's long-term prosperity and stability. To put it more specifically, in a united China, the principal part of the country will exercise the socialist system whereas Hong Kong will continue to exercise the capitalist system. A special administrative region will be established in Hong Kong under which local people will exercise self-administration and enjoy administrative, legislative, independent judicial and court-of-final-judgment rights. Hong Kong's current social and economic system as well as its life style will remain unchanged and its laws will remain basically unchanged, and Hong Kong will continue to remain a free port and maintain the position of international financial, trade, and shipping cen-

ter. Foreign interests in Hong Kong will also be taken into account. In the past decade and more, the Chinese Government has never wavered in its determination of implementing these special policies on Hong Kong. The Hong SAR Preparatory Committee established at the beginning of this year is busy forming the Hong Kong SAR in accordance with these principles and policies. It can be said that as China's basic state policy, "one country, two systems" has clearly found expression in the preparations for Hong Kong's handover.

Several years after the signing of the Sino-British Joint Declaration, the Chinese and British sides for a time cooperated well in implementing this declaration. However, following changes in the situation, some people were unwilling to withdraw from history although they were facing a reality of "withering flowers." During that period, many contradictions and struggles occurred, giving rise to twists and turns in the transitional period for China to resume its exercise of sovereignty over Hong Kong. However, China's resumption of its exercise of sovereignty over Hong Kong is a foregone conclusion. There is a sound work basis laid down by the Preliminary Committee and remarkable achievements made by the Preparatory Committee. No force can disrupt Hong Kong's smooth hand-over. Facts in the last few years have shown that only close cooperation with the Chinese side can help rationally resolve all kinds of problems and is a wise move beneficial to both sides.

The Chinese Government has full confidence in smoothly fulfilling all kinds of preparatory tasks of the Hong Kong SAR as scheduled and in bringing about Hong Kong's steady transition. In a year, Hong Kong will become China's special administrative region enjoying a high degree of autonomy; Hong Kong people will administer Hong Kong's affairs in accordance with Basic Law provisions; the Chinese citizens among Hong Kong people will take part in administration of state affairs according to law and can even participate in the work of the supreme organ of state power. We believe that the Preparatory Committee will remove all obstacles and step up its efforts in preparation for the establishment of the Hong Kong SAR, so that Hong Kong will materialize long-term social stability and economic prosperity and display its new brilliance in Asia and the whole world. The CPC's and the Chinese Government's policy of "one country, two systems" for bringing about the motherland's reunification will be completely successful in Hong Kong.

Hong Kong: Beijing Police Intercept Hong Kong Politicians

OW0107040096 Hong Kong AFP in English
0342 GMT 1 Jul 96

[FBIS Transcribed Text] Beijing, July 1 (AFP) — Chinese police on Monday intercepted eight Hong Kong politicians who went to Beijing to deliver a pro-democracy petition.

Passengers on the flight from Hong Kong that took them to the Chinese capital said the members of the Coalition to Oppose the Provisional Legislature were identified on the plane in Beijing.

The Chinese authorities had warned the group not to go to Beijing to deliver a petition protesting at China's decision to scrap Hong Kong's Legislative Council.

A passenger on the Dragonair flight told reporters at Beijing airport that Chinese police were waiting on the tarmac for the jet to land.

"After the plane landed, police surrounded the aircraft and identified the eight members. The rest of the passengers were allowed to disembark," the passenger said.

The plane was parked "off the apron," another passenger said. "There were a lot of security inside and around the plane", he said.

TV crews and photographers were pushed out of the arrival hall by police into the parking lot in front.

Hong Kong: Police Detain Foreign Reporters at Beijing Airport

OW0107050796 Hong Kong AFP in English
0430 GMT 1 Jul 96

[FBIS Transcribed Text] Beijing, July 1 (AFP) — Chinese police on Monday detained around 25 foreign journalists who were waiting at Beijing airport for a group of Hong Kong pro-democracy demonstrators to arrive.

The journalists were forced to go to the Public Security Bureau office in the airport by around 15 policemen.

Police had said they wanted to check films taken at the airport but TV crews and photographers refused.

The eight Hong Kong politicians who went to Beijing were held on the plane by police while other passengers disembarked. It was not immediately known what happened to the group.

The politicians had been planning to hand in a petition against China's plan to scrap Hong Kong's legislative

council when it takes back the territory on July 1 next year.

Hong Kong: Detained Foreign Reporters Released

OW0107052996 Hong Kong AFP in English
0506 GMT 1 Jul 96

[FBIS Transcribed Excerpt] Beijing, July 1 (AFP) — Chinese police on Monday briefly detained around 25 foreign journalists. [passage omitted]

They were held for about one hour and then released. [passage omitted]

Hong Kong: Eight United Front Members Refused Entry in Beijing

HK0107061696 Hong Kong RTHK Radio Four
in English 0500 GMT 1 Jul 96

[From the "News at One" program]

[PTS Transcribed Text for FBIS] Security officials in Beijing have refused to allow eight Hong Kong democrats to leave their plane after landing in the Chinese capital. The group, who are all members of the United Front Against the Provisional Legislature, had planned to present the Chinese Government with a signature petition opposing China's plan to scrap the current legislature after the handover. China had refused a number of their members' visas and mainland officials warned beforehand that the rest would be turned back on arrival. [Humphrey Hoxley] reports from Beijing:

[Begin Humphrey recording] According to passengers on the flight from Hong Kong, Chinese police boarded the plane as soon as it landed in Beijing and demanded to see passports and travel documents. The passengers said the delegation of Hong Kong democracy politicians were held back while others were allowed to get off. Earlier the Chinese authorities had told both the politicians and the airline that the delegation would not be allowed in. They were planning to present a 60,000-signature petition complaining about China's plan to close down the elected Legislative Council when it takes over next year. But their visit came at a time when China is whipping up anti-colonial sentiment and is making it clear that it won't change its Hong Kong policy. One of the television commentaries said Britain attacked China last century because it was trafficking opium which it sold here. It violently turned China into a semi-colonial and semi-feudal society, said the commentary, and that would never be allowed to happen again. [end Humphrey recording]

Hong Kong: PRC Not To Allow United Front Members To Enter China

*HK0107065896 Hong Kong WEN WEI PO in Chinese
1 Jul 96 p C12*

[Report: "Zheng Guoxiong, Zhang Junsheng Say Public Security Ministry's Notice Has Been Relayed, Everybody Knows Views of the United Front Against the Provisional Legislature Are Wrong"]

[PTS Translated Text for FBIS] Zheng Guoxiong and Zhang Junsheng, deputy directors of the XINHUA Hong Kong Branch, separately said yesterday that the Hong Kong Branch of the XINHUA News Agency had relayed to people from the United Front Against the Provisional Legislature the official notice of the Chinese Public Security Ministry, which did not allow them to cross the border, or else they would be held responsible for the consequences.

After attending a public event yesterday morning, Zheng Guoxiong said: The XINHUA Hong Kong Branch has received a notice from the Public Security Ministry which does not allow people from the United Front Against the Provisional Legislature to cross the border. Or else, if something should happen, they will be held responsible for the consequences. The XINHUA Hong Kong Branch has relayed this notice.

Asked to comment on this issue yesterday afternoon, Zhang Junsheng said: We are only responsible for relaying the notice of the Public Security Ministry. As for why the Ministry of Public Security has issued the notice, I think Hong Kong residents know this very well. Zhang said: The purpose of the United Front Against the Provisional Legislature in doing so and the views they are going to express are known not only to Hong Kong residents but also to the mainland. They have expressed their views on many occasions which are nothing more than opposition to the provisional legislature. Since everybody knows their views, what do they want to express? Moreover, the Chinese side has definitely pointed out that their views are wrong.

Zhang said: For a long time they have not studied why the Preparatory Committee of the Special Administrative Region [SAR] has decided to set up the provisional legislature. In fact, the reason has been discussed many times. It is because Mr. Patten has held on to his "three-violation" constitutional reform package that the "through train" arrangements have been destroyed and, to avoid a "legislative vacuum" when the SAR is set up and to enable the SAR government to operate normally, a provisional legislature has to be set up. These hows and whys have been discussed many times but they have

turned a deaf ear. What's the point of engaging in these activities again?

Zhang pointed out: People can also ask them, when Mr. Patten engaged in the "three-violation" package, why didn't they organize a united front against it? Why didn't they protest against Mr. Patten? Why didn't they go to London to protest against the British Government? All people know this truth very well.

Zhang said: "I still hope that, in accordance with the notice of the Public Security Ministry, they will not go to Beijing to make trouble because there is no point in doing that. Or else, they should be held totally responsible for any consequences arising therefrom."

Hong Kong: Lu Ping on 'One Country, Two Systems' Policy

*OW0107101596 Beijing XINHUA in English
0907 GMT 1 Jul 96*

[FBIS Transcribed Text] Beijing, July 1 (XINHUA) — The peaceful way in which Hong Kong's future has been resolved will set a model for tackling the question of Taiwan, a high-ranking State Council official said here recently as the year-long countdown starts to Hong Kong's return to China.

He said after July 1, next year, the implementation of the "one country, two systems", and the Basic Law over Hong Kong, and maintaining its stability and prosperity will set a model for solving the Taiwan question.

The "one country, two systems" policy is the best way to solve the Hong Kong question, and it also tallies with the actual situation in China, said Lu Ping, director of Hong Kong and Macao Affairs Office of the State Council.

Deng Xiaoping had fully considered Hong Kong's history and reality before he put forward the policy, he said.

"One country" means that Hong Kong is an inalienable part of the Chinese territory, while "two systems" means that Hong Kong can retain its capitalist system, on the premise that socialism is the main body of China, he explained.

He said, "Our reform and opening-up policy, as well as the modernization drive, need Hong Kong as a window and a bridge, through which we can have access to markets in western countries and introduce their funds, advanced technology and management expertise. Meanwhile foreigners can also enter into the Chinese markets through Hong Kong."

The adoption of "one country, two systems" policy for Hong Kong has also set an example on how to solve international issues in a peaceful way, he said.

As Deng Xiaoping has said, the world has many contradictions and disputes that cannot be solved by the war, instead they should be settled peacefully, Lu remarked.

Therefore, the Chinese side had set out to draft the Basic Law of the Hong Kong Special Administrative Region (SAR) after signing the Sino-British Joint Declaration, he said.

After the four years and eight months' work, the Basic Law had been completed, based on the opinions broadly sought from the Hong Kong people, and won support from them, he recalled.

The Chinese government then embarked on work in Hong Kong's transitional period, engaging four groups of advisors on Hong Kong affairs, and establishing the Preliminary Working Committee of the Preparatory Committee for the Hong Kong SAR and the Preparatory Committee of the Hong Kong SAR, he said.

"This move has laid a solid foundation for establishing the Hong Kong SAR government," Lu said.

Hong Kong: Lu Ping on Relations between Mainland and Hong Kong

OW0107102396 Beijing XINHUA in English
0908 GMT 1 Jul 96

[FBIS Transcribed Text] Beijing, July 1 (XINHUA) — Hong Kong will not be subordinate in its relations with the departments under China's Central People's Government and local governments in the mainland after 1997, Lu Ping, director of Hong Kong and Macao Affairs Office of the State Council, said here recently.

The Hong Kong Special Administrative Region (SAR) will enjoy executive, legislative and independent judicial power, including that of final appeal, he said, adding that this is just what is meant by "Hong Kong people governing Hong Kong" and a high-degree of autonomy.

According to the Central People's Government's policy towards Hong Kong and the Basic Law, the Central People's Government will be responsible for the foreign affairs and defence of the future Hong Kong SAR, he said.

Other daily affairs will all be handled by Hong Kong people themselves, he noted.

He said the Basic Law also stipulates that no department of the Central People's Government, and no province, autonomous region, or municipality may interfere in affairs which the Hong Kong SAR itself administers.

For example, he said, the future SAR will have independent finances, and it will use its financial revenues exclusively for its own purposes, instead of handing them over to the Central People's Government.

The Central People's Government will not levy taxes in the Hong Kong SAR, he stressed.

When asked on whether it will be easier for people from the mainland to travel to Hong Kong for business after 1997, Lu replied they must obtain permission, as Hong Kong is a special administrative region of China.

"Even people like us must also have a certificate when going to Hong Kong," he said.

If large numbers of mainland people crowd into Hong Kong, it will be too big a pressure for Hong Kong, as it has only an area of about 1,000 square kilometres, he pointed out.

As Deng Xiaoping said, it may have an even stricter control on this issue, Lu said.

Answering the question whether it will be more convenient to travel abroad after Hong Kong residents get new passports, Lu said after 1997, the Hong Kong SAR government will grant SAR passports to all the Chinese citizens among permanent residents in Hong Kong.

"In order to provide convenience to the Hong Kong compatriots, we are negotiating with some countries on visa-free access for them through diplomatic channels," Lu said.

Hong Kong: Lu Ping on Establishing Hong Kong SAR

OW0107103596 Beijing XINHUA in English
0923 GMT 1 Jul 96

[FBIS Transcribed Text] Beijing, July 1 (XINHUA) — With just one year left before Hong Kong's return to its motherland, it is imperative to make full preparations to establish the future SAR [Special Administrative Region], said Lu Ping, director of Hong Kong and Macao Affairs Office of the State Council, in an interview here recently.

He said the chief executive of the future SAR will be elected by a Selection Committee, composed of 400 permanent Hong Kong residents.

The Selection Committee Panel is now studying methods of choosing the members of the Selection Committee, based on the opinions sought from people in various circles, he said.

The method will continue to be studied in the panel's next session this month, then be submitted to the

Preparatory Committee's fourth plenum to be held this August in Beijing for adoption, he said.

The Selection Committee is expected to be formed in October, Lu said, adding that the provisional legislature, the chief executive, and the future SAR governing body are all expected to be chosen by the end of this year.

He said from the end of this year to July 1, next year, the chief executive of the Hong Kong SAR must understand the situation and live his part.

"We hope the British side will co-operate with the Preparatory Committee and make the future SAR government body to be appointed familiar with the situation."

"After the establishment of the provisional legislature, it will study some absolutely necessary laws that cannot be made by the current Legislative Council before June 30, 1997, so that those laws can be brought into effect on July 1, next year," he said.

Referring to Sino-British relations, Lu said the Chinese government's policy toward Hong Kong has never changed.

"We always hope the British side will enhance co-operation with the Chinese side in the remaining one year, according to the principles of the Sino-British Joint Declaration," he added.

There are still many problems between the two sides to settle through negotiation, and the Sino-British Joint liaison Group is now speeding up its work, he said.

"We do not exclude the possibility that the British side will create new contradictions. But from the Chinese side, we do not hope this will happen," he noted.

When asked whether the Preparatory Committee will still play its role after July 1, 1997, Lu answered that the committee should also help in the task of preparing the establishment of the first legislative council of the Hong Kong SAR, according to the decision made by the National People's Congress on April 4, 1990.

The provisional legislature will only exist until June, 30, 1998, he explained.

After the first legislative council is elected, the historical obligation of the Preparatory Committee will be fulfilled, Lu said.

Hong Kong: Lu Ping on Return of Hong Kong to 'Motherland'

OW0107104996 Beijing XINHUA in English
0904 GMT 1 Jul 96

[FBIS Transcribed Text] Beijing, July 1 (XINHUA) — A Chinese statesman has explained why the People's

Republic of China (PRC) has waited patiently for almost half a century for the return of Hong Kong.

Lu Ping, director of Hong Kong and Macao Affairs Office of the State Council, was asked in a major interview here recently why China had not taken back Hong Kong soon after the PRC was formed in 1949.

Lu said that at that time China didn't have the idea of taking back Hong Kong immediately, because it had many domestic issues to deal with, while some western countries headed by the United States, also imposed an economic blockade on China.

"Under that circumstance China needed a peaceful environment to restore its economic order and heal war wounds," he noted.

But the Chinese government never recognized three unequal treaties over Hong Kong, nor regarded Hong Kong as Britain's colony, he said.

As the one-year countdown starts before China's resumption of sovereignty over Hong Kong, Lu recalled Hong Kong's history. He also spoke of the negotiations between China and Britain over Hong Kong, and matters about Hong Kong's transitional period, saying he was confident about Hong Kong's future.

He said after the founding of the People's Republic of China, the Chinese government repeatedly declared that the three unequal treaties had been forcibly imposed on the Chinese people.

"China would solve the Hong Kong question at proper time and in an appropriate way," he quoted Huang Hua, former permanent Chinese representative to United Nations, as saying, adding that both the UN and the world media supported China's standpoint on the issue.

Premier Zhou Enlai once put forward a policy of "long-term arrangement and making full use" of Hong Kong, which meant not to take back Hong Kong temporarily, while making full use of Hong Kong's advantages, to serve China's economic construction, he said.

Lu recalled that Deng Xiaoping had assured that as a special question, the Hong Kong question would be solved in a special way, when he met with former Hong Kong governor Maclehoose in 1978.

In 1982 Deng also pointed out that there was no room for discussion on the issue of sovereignty over Hong Kong, when meeting with visiting British Prime Minister Margaret Thatcher, he said.

As for China's firm stand, the British side had to reconcile, and a Sino-British Joint Declaration had been signed in December, 1984 after 22 rounds of negotiations between the two sides, Lu said.

Hong Kong: Editorial Greet 1-Year Point Before Handover

*HK0107094096 Hong Kong WEN WEI PO in Chinese
1 Jul 96 p C2*

[Editorial: "Greet Hong Kong's Handover With Full Confidence"]

[PTS Translated Text for FBIS] Today marks the pre-anniversary of Hong Kong's return to Chinese sovereignty. The people of the whole country, including Overseas Chinese and the 6 million people of Hong Kong, are looking back on the past and forward to the future at this important moment, are elated at the Chinese nation's being able to wipe out an insult of more than a century ago, and are fully confident of Hong Kong's bright future.

Modern Chinese history, which began in 1840 when Britain unleashed the Opium War and occupied Hong Kong, is the bloodstained history of how imperialists invaded and bullied China, and also the moving history of how the Chinese people rose against the enemy to rejuvenate the Chinese nation. Through the unremitting efforts of generation after generation of high-minded people, who took up the positions of the fallen and rose to fight one after another, the Chinese people have finally, under CPC leadership, built up an independent PRC, which has been becoming a powerful country with each passing day.

New China under CPC leadership has never forgotten the Chinese nation's long-cherished wish to wipe out its humiliation. Since the PRC was established, the Chinese Government has consistently held that Hong Kong is Chinese territory; that China does not acknowledge the three unequal treaties imposed by the imperialists; and that the issue left over by history should be settled at an opportune time through negotiations. The great concept of "one country, two systems" advanced by Deng Xiaoping, chief architect of reform and opening up, is the best program for settling the issue. Hence, China and Britain signed the "Sino-British Joint Declaration on the Question of Hong Kong" in 1984 after lengthy and difficult negotiations, which began in 1982. The declaration formally announced that China would restore its sovereignty over Hong Kong on 1 July 1997.

The declaration states Hong Kong will return to Chinese rule and maintain long-term prosperity and stability under the "one country, two systems" principle. This is a successful example in the history of the world of settling an issue left over by history by peaceful means and sets an example for China's peaceful reunification. Hong Kong, which will maintain its prosperity and stability and whose social system and way of life

will remain unchanged after 1997, will play a bigger role in linking the mainland with the outside world, thus facilitating peace and development worldwide. History has proved that Chinese communists, who have persisted in fulfilling the nation's wish by restoring Chinese sovereignty over Hong Kong and put forward and firmly put into effect the great concept of "one country, two systems," are worthy patriots and national heroes with a high level of political intelligence. Their great contributions will certainly go down in the annals of Chinese history.

Since the Joint Declaration was signed, especially in the latter half of the transition period, Hong Kong has seen foul weather and twists and turns in the process of reverting to Chinese sovereignty brought about by those who miscalculated the situation and the colonialists who were unwilling to withdraw from the historical arena. The Chinese Government, however, has seized the initiative in effecting smooth transition by firmly following the principles of "taking our side as the dominant factor" and "facing and relying upon Hong Kong people." In the process of drafting the Basic Law, appointing Hong Kong and district affairs advisers, and setting up the Preparatory Working Committee for the Preparatory Committee [PC] of the Hong Kong Special Administrative Region [SAR] and the Preparatory Committee, the Chinese Government has succeeded not only in gathering the masses of Hong Kong around the banner of cherishing the country and Hong Kong, but also in laying a sound and solid foundation for establishing the SAR. The present situation shows that Hong Kong's handover is a foregone conclusion and that Hong Kong is moving in the direction of smooth transition. Within this year, the election committee will be formed, the chief executive-designate appointed, and the provisional legislature established. With the support from the people of the whole country and Hong Kong people's active participation, the PC will eliminate all obstacles and interferences to ensure that the SAR will function smoothly according to the Basic Law on 1 July 1997.

Over the last few days, various meaningful activities have been held in Hong Kong to greet the pre-anniversary of Hong Kong's return to Chinese sovereignty. At the "forum to greet the pre-anniversary of Hong Kong's return to Chinese sovereignty," held jointly by the XINHUA Hong Kong branch general editing office and other units, public figures from various social sectors unanimously spoke highly of the great concept of "one country, two systems," talked animatedly about their feelings in connection with their experiences, and suggested ways and means for a smooth transition. A grand ceremony was held for the first issue of the book "Hong Kong Basic Law Forum," published by Hong

Kong's WEN WEI PO. The book meets the urgent need of all walks of life for further studying and publicizing the Basic Law and will make the great concept of "one country, two systems" and the state policies toward Hong Kong known to and fully understood by every household. A ceremony was also held for the release of the television serial "Vicissitudes of Hong Kong." The television serial makes us realize all the more, through reflecting on the past in the light of the present, that only with a prosperous, powerful, and unified motherland can the Chinese nation gain a foothold in the international arena. At the "Hong Kong youth forum to greet the pre-anniversary of Hong Kong's return to Chinese sovereignty" held by this newspaper, participants ardently hoped Hong Kong youth will make historic contributions to putting the principle of "one country, two systems" into practice... The meaningful activities mentioned above fully demonstrate that Hong Kong people are looking forward to Hong Kong's return to Chinese rule and are energetically making preparations and commitments for that purpose.

The "Hong Kong Society-Wide Committee for Activities To Celebrate Hong Kong's Return to the Motherland" also enjoys the support and participation of the masses of Hong Kong people. Various sectors and organizations territory-wide have proposed plans for colorful celebrations, fully expressing their happiness brought about by their future role as masters of Hong Kong as well as their confidence in a bright future.

The pre-anniversary of Hong Kong's return to Chinese sovereignty means the year "1997" is drawing near, and the great concept of "one country, two systems" is to become a reality, owing to the common efforts of the people of the whole country, including the 6 million people of Hong Kong. Hong Kong's return to the motherland represents a major event, because it is a splendid achievement in history which can console our ancestors, encourage the present generation, and enlighten future generations. Every Chinese who will be present in person on the grand occasion is looking forward to the arrival of the day with full confidence and elation, and contributing their personal efforts to the smooth arrival of the day.

Hong Kong: Official: Police Cooperation 'Vital' To Social Stability

OW2806155296 Beijing XINHUA in English
1441 GMT 28 Jun 96

[FBIS Transcribed Text] Beijing, June 28 (XINHUA) — Co-operation between police on the Chinese mainland and in Hong Kong is vital to safeguarding the social stability of both sides, according to a senior Chinese police official.

"The mainland and Hong Kong police departments have joined hands in cracking down upon cross-border criminal cases in the past decade," Bai Jingfu, vice minister of Public Security, said in an interview with XINHUA NEWS AGENCY.

"Obviously the co-operation has made great contributions to maintaining a good public security order by both sides," he said.

The number of cases of cross-border smuggling, drug trafficking, theft, swindling and robbery has been on the rise since the 1980s, endangering the safety of the mainland and Hong Kong people, the vice minister said.

The police departments of the two sides began co-operation through the International Criminal Police Organization (Interpol) when China joined Interpol in 1984.

The mainland police have coordinated with Hong Kong police to investigate more than 1,000 criminal cases, and in turn, Hong Kong police has helped the mainland police to investigate some 500 cases, Bai told XINHUA.

A number of murder and kidnap cases involving Hong Kong suspects have been ferreted out by the mainland police. They arrested more than 70 Hong Kong criminals on a wanted list and extradited them to Hong Kong police.

The mainland has also seized more than 110 stolen Hong Kong cars and container tractors and nine cruisers, turning them over to Hong Kong.

Hong Kong police have provided a number of clues for solving cases to the Interpol National Central Bureau of China and mainland police.

They captured some wanted criminals and returned thousands of pieces of cultural relics back to the mainland after they were smuggled to Hong Kong.

Police from both two sides have held 23 regular meetings in Beijing and Hong Kong since 1985, exchanging information and experiences, coordinating actions and solving problems in co-operation, Bai said.

Mutual understandings have also been enhanced through meetings across Hong Kong and the neighboring Guangdong Province, he said.

"The co-operation has helped us achieve good results in cracking down on cross-border criminal cases," Bai noted.

Hong Kong: Spokesman on Sino-British Cooperation, HK Passports

OW2806011696 Beijing China Radio International in Mandarin to Hong Kong, Macao, the Zhu Jiang Delta, and Southeast Asia 0900 GMT 27 Jun 96

[From the "News and Report on Current Events" program]

[FBIS Translated Text] At a news conference in Beijing on 27 June, Chinese Foreign Ministry spokesman Cui Tiankai said China believes that at a time when Hong Kong's return to China is one year away, so long as both China and Britain strictly abide by the spirit of the joint statement, the work of the Sino-British Joint Liaison Group will be smoothly accomplished as scheduled.

Cui Tiankai believed that the tasks facing the group are definitely very significant [que shi shi fei chang zhong da]. These tasks also involve many specific issues, but the fundamental task is that both China and Britain have the responsibility to enter into full cooperation to ensure the smooth transition and smooth transfer of government in Hong Kong.

Discussing the issue of visa exemption for passports issued by the Hong Kong Special Administrative Region [SAR], Cui Tiankai noted that China has contacted many countries, urging them to speedily solve this issue. Some countries have responded positively, and China will continue its efforts regarding this issue.

Hong Kong: Official: Crackdown Positive for Hong Kong Social Order

OW2806154796 Beijing XINHUA in English 1440 GMT 28 Jun 96

[FBIS Transcribed Text] Beijing, June 28 (XINHUA) — The current crackdown on crime campaign on the Chinese mainland will bring positive results in maintaining Hong Kong's social order, said a senior Chinese official in Beijing today.

In an interview with XINHUA, Bai Jingfu, vice-minister of Public Security, said that as Hong Kong adjoins Guangdong Province and has a close tie with the mainland, the social order of the mainland, especially of Guangdong will be directly related to Hong Kong.

The nationwide crackdown campaign is a major step of the Chinese government in an attempt to reverse the chaotic public order in some areas, and combating determined criminals, he pledged, adding that facts show that the campaign has made remarkable achievements under the leadership of the party committees and governments at all levels, as well as the support of the people.

A large number of criminal gangs and criminals have been captured and severely punished, he said.

Many criminals have surrendered themselves to the police and confessed their crimes, as being in awe of the power of the drive, while the majority of people have also actively supported the public security departments by providing clues for investigation, he added.

The campaign has contributed greatly to maintaining public order and social stability, combating rampant crimes, protecting people's life and property, and promoting people's sense of security, he noted.

Bai said the police department of the mainland will make continuous efforts and boost the campaign to a deeper extent.

Hong Kong: Arrests in Hong Kong, PRC, U.S., 21 Kg of Heroin Seized

HK2806084396 Hong Kong EASTERN EXPRESS in English 28 Jun 96 p 1

[By Niall Fraser]

[PTS Transcribed Text for FBIS] A heroin-trafficking racket linking Hong Kong, Los Angeles and Kunming has been crippled in an international sting led by the territory's customs investigators.

Six suspects — three men and three women — have been arrested in the three cities after customs drug investigators uncovered a haul of 21 kilograms of high grade heroin disguised as a shipment of cakes at Kai Tak airport last week.

The discovery, made during a routine search of the airport's cargo terminal, sparked an international investigation which led to the arrest in Hong Kong two days ago of an American-Chinese man, surnamed Fu, 46, who investigators claim organised the shipment.

His arrest coincided with operations by the United States Drug Enforcement Administration (DEA) in Los Angeles and China's Public Security Bureau (PSB) in Kunming.

DEA agents raided several premises in Los Angeles, seized documents and arrested two American-Chinese women, who were later released. The PSB arrested a mainland Chinese man in a tandem raid in Kunming.

Estimated by police to be worth HK\$242m, the drugs were smuggled out of the Golden Triangle into Kunming, flown to the territory and were due for transshipment on the "first available flight to Los Angeles", according to official shipping documents.

Investigators say it is the biggest seizure of drugs in airport cargo for more than a decade.

Superintendent Wong Man-on of the Customs and Excise Department's Drug Investigation Unit said: "After finding the drugs we got valuable information from Kunming and Los Angeles and we identified an American-Chinese man here who is suspected to have been the organiser of the shipment."

"We arrested him outside a flat in Telford Gardens and arrested another two Chinese men and one Chinese woman after raids on commercial premises in Jordan Road and Kowloon City," he said.

All three picked up in the follow-up raids have been released on police bail.

Fu is expected to be charged with trafficking in dangerous drugs.

Wong said it looked like the smuggling operation was "fairly sophisticated" and described the people behind it as having a "good network".

Fu, a United States passport-holder, claimed to be a businessman visiting the territory for a week. He is understood to have been staying with a friend in a flat in Telford Gardens, Kowloon Bay.

Hong Kong: EASTERN EXPRESS To Cease Publication

OW2906064396 Hong Kong EASTERN EXPRESS in English 29-30 Jun 96 p 1

["Announcement" by the Oriental Press Group, Limited]

[FBIS Transcribed Text] Today, June 29, 1996, is the last day on which Eastern Express will be published.

The cessation of publication of Eastern Express is a commercial decision made by the Board of Directors of Oriental Press Group Limited.

Eastern Express was launched on February 1, 1994, as part of the strategic plan of the Oriental Press Group to

diversify and expand its publication business. We also believed that there was a sufficient demand for a third quality English newspaper in Hong Kong.

We were well aware that it would take a lot of hard work, patience and investment to establish a newspaper. However, there have been other problems, for example with editorial management of the newspaper which we did not originally anticipate. A lot of corporate attention and resources were diverted into resolving these problems.

From the very beginning of its publication, Eastern Express has been the target of all kinds of malicious rumours and speculation, publicised in the local and foreign media. Our image and staff morale were both seriously damaged. It became difficult for us to attract advertisers and hence to increase our advertising revenue, or to recruit quality staff.

After two years of battling uphill, we have reluctantly come to the conclusion that, although the market for a third English newspaper still exists, in view of the above reasons, it would be difficult for Eastern Express to continue. Eastern Express was never given a chance to establish itself.

The decision to cease publication of Eastern Express was based on commercial considerations. It was a difficult decision to make. However, we believe it is the right one and is in the best interest of the Oriental Press Group and its shareholders.

We wish to express our sincere gratitude to all those who have supported this newspaper. We would also like to pay tribute to all staff members who have worked so hard to provide quality journalism to our readers.

Oriental Press Group Limited

June 29, 1996

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